

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

SENATE ENROLLED ACT No. 216

AN ACT to amend the Indiana Code concerning technical corrections.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 2-5-1.1-12.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001 (RETROACTIVE)]: **Sec. 12.1. The legislative council may contract with the intelenet commission established by IC 5-21-2-1 or another public or private person to provide video or audio coverage, or both, over the Internet or another broadcast medium of any of the following:**

- (1) Sessions of the general assembly.
- (2) Other legislative activities authorized by the legislative council.

SECTION 2. IC 2-5-1.1-12.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001 (RETROACTIVE)]: **Sec. 12.2. (a) The definitions in IC 1-1-3.5 and IC 3-5-2 apply throughout this section.**

(b) As used in this section, "committee" refers to the census data advisory committee established by IC 2-5-19-2.

(c) As used in this section, "council" refers to the legislative council established by section 1 of this chapter.

(d) As used in this section, "GIS" refers to the geographic information system that the office is required to establish and maintain under subsection (g)(9).

(e) As used in this section, "office" refers to the office of census



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data established by subsection (f).

(f) The office of census data is established within the legislative services agency. Appointment of staff members of the office is subject to the approval of the legislative council.

(g) The office shall do the following:

(1) Advise and assist the Bureau of the Census and the committee in defining the boundaries of census blocks in Indiana.

(2) Advise and assist the committee in coordinating the state's efforts to obtain an accurate population count in each federal decennial census.

(3) Work with other state and federal agencies to assist in the Census Bureau's local review program conducted in Indiana.

(4) Participate in national associations of state governments to obtain information regarding census count activities conducted by other states.

(5) Advise and assist the committee in the preparation and organization of decennial census data for use in congressional and state legislative redistricting.

(6) Work with political subdivisions following each decennial census to provide information and assistance concerning special censuses, special tabulations, and corrected population counts.

(7) Work with the election division, state agencies, and political subdivisions to maintain accurate information concerning the boundaries of precincts and political subdivisions.

(8) Provide technical assistance to counties, the election commission, and the election division to comply with Indiana law concerning establishing a precinct (as defined in IC 3-11-1.5-1).

(9) Establish and maintain a geographic information system that contains the boundaries of all precincts, legislative districts, and congressional districts. The geographic information system may contain other boundaries and information as determined by the executive director of the legislative services agency or as required by the council.

(10) Perform other census and mapping research as determined by the executive director of the legislative services agency or as required by the council.

(h) The office shall provide the election division a network connection to the GIS. The network connection must do the

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following:

- (1) Provide the election division with read access to the GIS.**
- (2) Enable the election division to download any information, including maps, contained in the GIS.**

(i) The election division is the agency through which public access to information contained in the GIS shall be provided.

SECTION 3. IC 2-5-1.1-13, AS ADDED BY P.L.179-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) A person may use all or a part of audio or video coverage provided under section ~~12~~ **12.1** of this chapter for a commercial purpose intended to result in a profit or other tangible benefit to any person only if:

- (1) the legislative council gives its permission for the person's commercial use; and
- (2) the person:
 - (A) uses the audio or video coverage only for educational or public affairs programming, including news programming, that does not also constitute a use prohibited under section 14 of this chapter; or
 - (B) transmits to paid subscribers an unedited feed of the audio or visual coverage.

(b) The legislative council shall give its permission to a person to use the coverage provided under section ~~12~~ **12.1** of this chapter for a commercial purpose if:

- (1) the person or the person's representative submits to the legislative council, or its designated agent, a signed, written request for the use that:
 - (A) states the purpose for which the audio or video coverage will be used and that the stated purpose is allowed under subsection (a); and
 - (B) contains an agreement by the person that the audio or visual coverage will not be used for a commercial purpose other than the stated purpose; and
- (2) the purpose stated in subdivision (1)(A) is a use allowed under subsection (a).

(c) The legislative council:

- (1) is not required to give its permission to any person; and
- (2) may limit the number of persons to whom it gives its permission;

to use coverage provided under section ~~12~~ **12.1** of this chapter for a purpose described in subsection (a)(2)(B).

(d) Subsection (a) and an agreement under subsection (b)(1)(B) do

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not prohibit compiling, describing, quoting from, analyzing, or researching the verbal content of audio or visual coverage provided under section ~~12~~ **12.1** of this chapter for a commercial purpose.

(e) The attorney general may enforce this section at the request of the legislative council by bringing a civil action to enjoin a violation of subsection (a) or an agreement under subsection (b)(1)(B).

SECTION 4. IC 2-5-1.1-14, AS ADDED BY P.L.179-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. Audio or video coverage provided under section ~~12~~ **12.1** of this chapter is not part of the legislative history of an act enacted or resolution adopted by the general assembly unless:

(1) the content of audio or video coverage provided under section ~~12~~ **12.1** of this chapter is:

(A) incorporated by resolution contemporaneously adopted by the chamber in which the coverage originated into the house or senate journal required under Article 4, Section 12 of the Constitution of the State of Indiana; or

(B) declared to be part of the legislative history of a bill or resolution in a bill contemporaneously enacted by the general assembly; and

(2) the content of the incorporated audio or video coverage is certified for accuracy and completeness by the principal clerk or principal secretary of the chamber in which the coverage originated.

SECTION 5. IC 2-5-1.1-15, AS ADDED BY P.L.179-2001, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. Audio or video coverage provided under section ~~12~~ **12.1** of this chapter does not constitute an expression of the legislative intent, purpose, or meaning of an act enacted or resolution adopted by the general assembly unless:

(1) the content of audio or video coverage provided under section ~~12~~ **12.1** of this chapter is incorporated by a bill contemporaneously enacted by the general assembly; and

(2) the content of the incorporated audio or video coverage is certified for accuracy and completeness by the principal clerk or principal secretary of the chamber in which the coverage originated.

SECTION 6. IC 2-5-1.1-16, AS ADDED BY P.L.179-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. It is not the intent of the general assembly in enacting section ~~12~~ **12.1** of this chapter to have the content of the audio or video coverage provided under section 12 of this chapter used

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as evidence of the legislative intent, purpose, or meaning of an act enacted or resolution adopted by the general assembly.

SECTION 7. IC 3-5-2-33.8, AS ADDED BY P.L.212-2001, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 33.8. "Office" refers to the office of census data established by ~~IC 2-5-1.1-12.~~ **IC 2-5-1.1-12.2.**

SECTION 8. IC 3-11-1.5-1.5, AS ADDED BY P.L.212-2001, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. As used in this chapter, "GIS" refers to the geographic information system maintained by the office under ~~IC 2-5-1.1-12.~~ **IC 2-5-1.1-12.2.**

SECTION 9. IC 4-21.5-2-6, AS AMENDED BY P.L.204-2001, SECTION 5, AND AS AMENDED BY P.L.198-2001, SECTION 2, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) This article does not apply to the formulation, issuance, or administrative review (but does, *except as provided in subsection (b)*, apply to the judicial review and civil enforcement) of any of the following:

- (1) Determinations by the division of family and children.
- (2) Determinations by the ~~Indiana alcoholic beverage~~ alcohol and tobacco commission.
- (3) Determinations by the office of Medicaid policy and planning concerning recipients and applicants of Medicaid. However, this article does apply to determinations by the office of Medicaid policy and planning concerning providers.
- (4) *A final determination of the Indiana board of tax review.*
- (b) *IC 4-21.5-5-12 and IC 4-21.5-5-14 do not apply to judicial review of a final determination of the Indiana board of tax review.*

SECTION 10. IC 4-22-2-37.1, AS AMENDED BY P.L.204-2001, SECTION 6, AS AMENDED BY P.L.287-2001, SECTION 1, AND AS AMENDED BY P.L.283-2001, SECTION 1, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 37.1. (a) This section applies to a rulemaking action resulting in any of the following rules:

- (1) An order adopted by the commissioner of the Indiana department of transportation under IC 9-20-1-3(d) or IC 9-21-4-7(a) and designated by the commissioner as an emergency rule.
- (2) An action taken by the director of the department of natural resources under IC 14-22-2-6(d) or IC 14-22-6-13.
- (3) An emergency temporary standard adopted by the occupational safety standards commission under



IC 22-8-1.1-16.1.

(4) An emergency rule adopted by the solid waste management board under IC 13-22-2-3 and classifying a waste as hazardous.

(5) A rule, other than a rule described in subdivision (6), adopted by the department of financial institutions under IC 24-4.5-6-107 and declared necessary to meet an emergency.

(6) A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.

(7) A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.

(8) An emergency rule jointly adopted by the water pollution control board and the budget agency under IC 13-18-13-18.

(9) An emergency rule adopted by the state lottery commission under IC 4-30-3-9.

(10) A rule adopted under IC 16-19-3-5 that the executive board of the state department of health declares is necessary to meet an emergency.

(11) An emergency rule adopted by the Indiana transportation finance authority under IC 8-21-12.

(12) An emergency rule adopted by the insurance commissioner under IC 27-1-23-7.

(13) An emergency rule adopted by the Indiana horse racing commission under IC 4-31-3-9.

(14) An emergency rule adopted by the air pollution control board, the solid waste management board, or the water pollution control board under IC 13-15-4-10(4) or to comply with a deadline required by federal law, provided:

(A) the variance procedures are included in the rules; and

(B) permits or licenses granted during the period the emergency rule is in effect are reviewed after the emergency rule expires.

(15) An emergency rule adopted by the Indiana election commission under IC 3-6-4.1-14.

(16) An emergency rule adopted by the department of natural resources under IC 14-10-2-5.

(17) An emergency rule adopted by the Indiana gaming commission under IC 4-33-4-2, IC 4-33-4-3, or IC 4-33-4-14.

(18) An emergency rule adopted by the *alcoholic beverage alcohol and tobacco* commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or IC 7.1-3-20-24.4.

(19) An emergency rule adopted by the department of financial

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institutions under IC 28-15-11.

(20) An emergency rule adopted by the office of the secretary of family and social services under IC 12-8-1-12.

(21) An emergency rule adopted by the office of the children's health insurance program under IC 12-17.6-2-11.

(22) An emergency rule adopted by the office of Medicaid policy and planning under IC 12-17.7-2-6 to implement the uninsured parents program.

~~(22)~~ **(23)** *An emergency rule adopted by the office of Medicaid policy and planning under IC 12-15-41-15.*

(b) The following do not apply to rules described in subsection (a):

(1) Sections 24 through 36 of this chapter.

(2) IC 13-14-9.

(c) After a rule described in subsection (a) has been adopted by the agency, the agency shall submit the rule to the publisher for the assignment of a document control number. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) After the document control number has been assigned, the agency shall submit the rule to the secretary of state for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The secretary of state shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the secretary of state shall:

(1) accept the rule for filing; and

(2) file stamp and indicate the date and time that the rule is accepted on every duplicate original copy submitted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:

(1) The effective date of the statute delegating authority to the agency to adopt the rule.

(2) The date and time that the rule is accepted for filing under subsection (e).

(3) The effective date stated by the adopting agency in the rule.

(4) The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, and IC 22-8-1.1-16.1, a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under

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subsection (e). Except for a rule adopted under subsection (a)(14), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. A rule adopted under subsection (a)(14) may be extended for two (2) extension periods. Except for a rule adopted under subsection (a)(14), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:

- (1) sections 24 through 36 of this chapter; or
- (2) IC 13-14-9;

as applicable.

(h) A rule described in subsection (a)(6), (a)(9), or (a)(13) expires on the earlier of the following dates:

- (1) The expiration date stated by the adopting agency in the rule.
- (2) The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

SECTION 11. IC 4-23-16-12, AS ADDED BY P.L.143-2001, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) The commission shall appoint a group to develop standards that are compatible with principles and goals contained in the electronic and information technology accessibility standards adopted by the architectural and transportation barriers compliance board under Section 508 of the federal Rehabilitation Act of 1973 (29 U.S.C. ~~749d~~, **794d**), as amended.

(b) The group shall consist, at minimum, of the following:

- (1) A representative of an organization with experience in and knowledge of assistive technology policy.
- (2) An individual with a disability.

(c) If an agency cannot immediately follow the information technology accessibility standards, it shall submit a plan for undue burden with timelines for compliance, and the plan must provide alternative means for accessibility during the period.

SECTION 12. IC 4-31-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) Upon receiving an order of a court issued under ~~IC 13-14-12-6~~ **IC 31-14-12-6** or IC 31-16-12-9 (or IC 31-1-11.5-13(l) or IC 31-6-6.1-16(l) before their repeal), the commission shall:

- (1) suspend a license issued under this chapter to any person who is the subject of the order; and
- (2) promptly mail a notice to the last known address of the person who is the subject of the order, stating the following:

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- (A) That the person's license is suspended beginning five (5) business days after the date the notice is mailed, and that the suspension will terminate not earlier than ten (10) business days after the commission receives an order allowing reinstatement from the court that issued the suspension order.
- (B) That the person has the right to petition for reinstatement of a license issued under this chapter to the court that issued the order for suspension.

(b) The commission shall not reinstate a license suspended under subsection (a) until the commission receives an order allowing reinstatement from the court that issued the order for suspension.

SECTION 13. IC 5-2-5-1, AS AMENDED BY P.L.238-2001, SECTION 1, AS AMENDED BY P.L.272-2001, SECTION 1, AND AS AMENDED BY P.L.280-2001, SECTION 1, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The following definitions apply throughout this chapter:

- (1) "Limited criminal history" means information with respect to any arrest ~~indictment, information, or other formal~~ criminal charge, which must include a disposition. However, information about any arrest ~~indictment, information, or other formal~~ criminal charge which occurred less than one (1) year before the date of a request shall be considered a limited criminal history even if no disposition has been entered.
- (2) "Bias crime" means an offense in which the person who committed the offense knowingly or intentionally:
- (A) selected the person who was injured; or
 - (B) damaged or otherwise affected property;
- by the offense because of the color, creed, disability, national origin, race, religion, or sexual orientation of the injured person or of the owner or occupant of the affected property or because the injured person or owner or occupant of the affected property was associated with any other recognizable group or affiliation.
- (3) "Care" means the provision of care, treatment, education, training, instruction, supervision, or recreation to children less than eighteen (18) years of age.
- (4) "Council" means the security and privacy council created under section 11 of this chapter.
- ~~(4)~~ (5) "Criminal history data" means information collected by criminal justice agencies, the United States Department of Justice for the department's information system, or individuals. The term consists of the following:

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(A) Identifiable descriptions and notations of arrests, indictments, informations, or other formal criminal charges.

(B) Information regarding ~~an~~ a sex and violent offender (as defined in IC 5-2-12-4) obtained through sex and violent offender registration under IC 5-2-12.

(C) Any disposition, including sentencing, and correctional system intake, transfer, and release.

(6) "Certificated employee" has the meaning set forth in IC 20-7.5-1-2.

~~(5)~~ (7) "Criminal justice agency" means any agency or department of any level of government whose principal function is the apprehension, prosecution, adjudication, incarceration, probation, rehabilitation, or representation of criminal offenders, the location of parents with child support obligations under 42 U.S.C. 653, the licensing and regulating of riverboat gambling operations, or the licensing and regulating of pari-mutuel horse racing operations. The term includes the Medicaid fraud control unit for the purpose of investigating offenses involving Medicaid. The term includes a nongovernmental entity that performs as its principal function the:

(A) apprehension, prosecution, adjudication, incarceration, or rehabilitation of criminal offenders;

(B) location of parents with child support obligations under 42 U.S.C. 653;

(C) licensing and regulating of riverboat gambling operations; or

(D) licensing and regulating of pari-mutuel horse racing operations;

under a contract with an agency or department of any level of government.

~~(6)~~ (8) "Department" means the state police department.

~~(7)~~ (9) "Disposition" means information disclosing that criminal proceedings have been concluded or indefinitely postponed.

~~(8)~~ (10) "Foreign protection order" has the meaning set forth in IC 34-6-2-48.5.

~~(9)~~ (11) "Indiana order" has the meaning set forth in IC 5-2-9-2.1.

~~(8)~~ ~~(10)~~ (12) "Inspection" means visual perusal and includes the right to make memoranda abstracts of the information.

~~(9)~~ ~~(11)~~ (13) "Institute" means the Indiana criminal justice institute established under IC 5-2-6.

~~(10)~~ ~~(12)~~ (14) "Law enforcement agency" means an agency or a

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department of any level of government whose principal function is the apprehension of criminal offenders.

~~(13)~~ **(15)** *"National criminal history background check" means the criminal history record system maintained by the Federal Bureau of Investigation based on fingerprint identification or any other method of positive identification.*

~~(14)~~ **(16)** *"Noncertificated employee" has the meaning set forth in IC 20-7.5-1-2.*

~~(11)~~ ~~(15)~~ **(17)** *"Protective order" has the meaning set forth in IC 5-2-9-2.1.*

~~(16)~~ **(18)** *"Qualified entity" means a business or an organization, whether public, private, for-profit, nonprofit, or voluntary, that provides care or care placement services, including a business or an organization that licenses or certifies others to provide care or care placement services.*

~~(12)~~ ~~(13)~~ ~~(17)~~ **(19)** *"Release" means the furnishing of a copy, or an edited copy, of criminal history data.*

~~(13)~~ ~~(14)~~ ~~(18)~~ **(20)** *"Reportable offenses" means all felonies and those Class A misdemeanors which the superintendent may designate.*

~~(14)~~ ~~(15)~~ ~~(19)~~ **(21)** *"Request" means the asking for release or inspection of a limited criminal history by noncriminal justice organizations or individuals in a manner which:*

(A) reasonably ensures the identification of the subject of the inquiry; and

(B) contains a statement of the purpose for which the information is requested.

~~(20)~~ **(22)** *"School corporation" has the meaning set forth in IC 20-10.1-1-1.*

~~(21)~~ **(23)** *"Special education cooperative" has the meaning set forth in IC 20-1-6-20.*

~~(15)~~ ~~(16)~~ ~~(22)~~ **(24)** *"Unidentified person" means a deceased or mentally incapacitated person whose identity is unknown.*

SECTION 14. IC 5-2-5-5, AS AMENDED BY P.L.272-2001, SECTION 2, AND AS AMENDED BY P.L.228-2001, SECTION 2, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as provided in subsection (b), on request, law enforcement agencies shall release or allow inspection of a limited criminal history to noncriminal justice organizations or individuals only if the subject of the request:

(1) has applied for employment with a noncriminal justice organization or individual;



- (2) has applied for a license and criminal history data as required by law to be provided in connection with the license;
- (3) is a candidate for public office or a public official;
- (4) is in the process of being apprehended by a law enforcement agency;
- (5) is placed under arrest for the alleged commission of a crime;
- (6) has charged that his rights have been abused repeatedly by criminal justice agencies;
- (7) is the subject of judicial decision or determination with respect to the setting of bond, plea bargaining, sentencing, or probation;
- (8) has volunteered services that involve contact with, care of, or supervision over a child who is being placed, matched, or monitored by a social services agency or a nonprofit corporation;
- (9) has volunteered services at a public school (as defined in IC 20-10.1-1-2) or non-public school (as defined in IC 20-10.1-1-3) that involve contact with, care of, or supervision over a student enrolled in the school;
- (10) is being investigated for welfare fraud by an investigator of the division of family and children or a county office of family and children;
- (11) is being sought by the parent locator service of the child support bureau of the division of family and children; or
- (12) has been convicted of any of the following:
 - (A) Rape (IC 35-42-4-1), if the victim is less than eighteen (18) years of age.
 - (B) Criminal deviate conduct (IC 35-42-4-2), if the victim is less than eighteen (18) years of age.
 - (C) Child molesting (IC 35-42-4-3).
 - (D) Child exploitation (IC 35-42-4-4(b)).
 - (E) Possession of child pornography (IC 35-42-4-4(c)).
 - (F) Vicarious sexual gratification (IC 35-42-4-5).
 - (G) Child solicitation (IC 35-42-4-6).
 - (H) Child seduction (IC 35-42-4-7).
 - (I) *Sexual misconduct with a minor as a Class A or Class B felony (IC 35-42-4-9).*
 - (J) Incest (IC 35-46-1-3), if the victim is less than eighteen (18) years of age.

However, limited criminal history information obtained from the National Crime Information Center may not be released under this section except to the extent permitted by the Attorney General of the United States.

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(b) A law enforcement agency shall allow inspection of a limited criminal history by and release a limited criminal history to the following noncriminal justice organizations:

- (1) Federally chartered or insured banking institutions.
- (2) Officials of state and local government for *any of the purpose of following purposes*:
 - (A) Employment ~~and~~ with a state or local governmental entity.
 - (B) Licensing.
- (3) Segments of the securities industry identified under 15 U.S.C. 78q(f)(2).

(c) Any person who uses limited criminal history for any purpose not specified under this section commits a Class A misdemeanor.

SECTION 15. IC 5-2-9-2.1, AS AMENDED BY P.L.1-2001, SECTION 2, AND AS AMENDED BY P.L.280-2001, SECTION 6, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.1. (a) As used in this chapter, "Indiana order" means:

- (1) a protective order issued under:
 - (A) IC 34-26-2-12(1)(A) (or IC 34-4-5.1-5(a)(1)(A) before its repeal);
 - (B) IC 34-26-2-12(1)(B) (or IC 34-4-5.1-5(a)(1)(B) before its repeal); or
 - (C) IC 34-26-2-12(1)(C) (or IC 34-4-5.1-5(a)(1)(C) before its repeal);

that orders the respondent to refrain from abusing, harassing, or disturbing the peace of the petitioner;

- (2) an emergency protective order issued under IC 34-26-2-6(1), IC 34-26-2-6(2), or IC 34-26-2-6(3) (or IC 34-4-5.1-2.3(a)(1)(A), IC 34-4-5.1-2.3(a)(1)(B), or IC 34-4-5.1-2.3(a)(1)(C) before their repeal) that orders the respondent to refrain from abusing, harassing, or disturbing the peace of the petitioner;

- (3) a temporary restraining order issued under IC 31-15-4-3(2) or IC 31-15-4-3(3) ~~IC 31-16-4-2(a)(2), or IC 31-16-4-2(a)(3)~~ (or IC 31-1-11.5-7(b)(2), ~~or IC 31-1-11.5-7(b)(3), IC 31-16-4-2(a)(2), or IC 31-16-4-2(a)(3)~~ before their repeal) that orders the respondent to refrain from abusing, harassing, or disturbing the peace of the petitioner;

- (4) a dispositional decree issued under IC 31-34-20-1, IC 31-37-19-1, or IC 31-37-19-5 (or IC 31-6-4-15.4 or IC 31-6-4-15.9 before their repeal) or an order issued under IC 31-32-13 (or IC 31-6-7-14 before its repeal) that orders a



person to refrain from direct or indirect contact with a child in need of services or a delinquent child;

(5) an order issued as a condition of pretrial release, *including release on bail or personal recognizance*, or pretrial diversion that orders a person to refrain from any direct or indirect contact with another person;

(6) an order issued as a condition of probation that orders a person to refrain from any direct or indirect contact with another person;

(7) a protective order issued under IC 31-15-5 ~~or IC 31-16-5~~ (or IC 31-1-11.5-8.2 *or IC 31-16-5* before ~~its~~ *their* repeal) that orders the respondent to refrain from abusing, harassing, or disturbing the peace of the petitioner;

(8) a protective order issued under IC 31-14-16 in a paternity action that orders the respondent to refrain from having direct or indirect contact with another person; ~~or~~

(9) a protective order issued under IC 31-34-17 in a child in need of services proceeding or under IC 31-37-16 in a juvenile delinquency proceeding that orders the respondent to refrain from having direct or indirect contact with a child; *or*

(10) *an order issued by a court in Indiana under IC 34-26-2.5-4 to enforce a foreign protection order.*

(b) Whenever an *Indiana* order is issued, the *Indiana* order must be captioned in a manner that indicates the type of order issued and the section of the Indiana Code that authorizes the protective order.

SECTION 16. IC 5-10.3-5-4, AS AMENDED BY P.L.195-1999, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Securities shall be held for the fund by banks or trust companies under a custodial agreement. Income, interest, proceeds of sale, materials, redemptions, and all other receipts from securities and other investments which the board retains for the cash working balance shall be deposited with the treasurer of state.

(b) ~~Subject to IC 5-10.2-2-15;~~ The board may contract with investment counsel, trust companies, or banks to assist the board in its investment program.

SECTION 17. IC 5-14-3-4, AS AMENDED BY P.L.201-2001, SECTION 1, AND AS AMENDED BY P.L.271-2001, SECTION 1, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The following public records are excepted from section 3 of this chapter and may not be disclosed by a public agency, unless access to the records is specifically required by a state or federal statute or is ordered by a court under the rules of discovery:



- (1) Those declared confidential by state statute.
 - (2) Those declared confidential by rule adopted by a public agency under specific authority to classify public records as confidential granted to the public agency by statute.
 - (3) Those required to be kept confidential by federal law.
 - (4) Records containing trade secrets.
 - (5) Confidential financial information obtained, upon request, from a person. However, this does not include information that is filed with or received by a public agency pursuant to state statute.
 - (6) Information concerning research, including actual research documents, conducted under the auspices of an institution of higher education, including information:
 - (A) concerning any negotiations made with respect to the research; and
 - (B) received from another party involved in the research.
 - (7) Grade transcripts and license examination scores obtained as part of a licensure process.
 - (8) Those declared confidential by or under rules adopted by the supreme court of Indiana.
 - (9) Patient medical records and charts created by a provider, unless the patient gives written consent under IC 16-39.
 - (10) Application information declared confidential by the twenty-first century research and technology fund board under IC 4-4-5.1.
 - (11) *The following personal information concerning a customer of a municipally owned utility (as defined in IC 8-1-2-1):*
 - (A) *Telephone number.*
 - (B) *Social Security number.*
 - (C) *Address.*
 - ~~(H)~~ **(12)** *A photograph, a video recording, or an audio recording of an autopsy, except as provided in IC 36-2-14-10.*
- (b) Except as otherwise provided by subsection (a), the following public records shall be excepted from section 3 of this chapter at the discretion of a public agency:
- (1) Investigatory records of law enforcement agencies. However, certain law enforcement records must be made available for inspection and copying as provided in section 5 of this chapter.
 - (2) The work product of an attorney representing, pursuant to state employment or an appointment by a public agency:
 - (A) a public agency;
 - (B) the state; or
 - (C) an individual.

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- (3) Test questions, scoring keys, and other examination data used in administering a licensing examination, examination for employment, or academic examination before the examination is given or if it is to be given again.
- (4) Scores of tests if the person is identified by name and has not consented to the release of his scores.
- (5) The following:
 - (A) Records relating to negotiations between the department of commerce, the Indiana development finance authority, the film commission, the Indiana business modernization and technology corporation, or economic development commissions with industrial, research, or commercial prospects, if the records are created while negotiations are in progress.
 - (B) Notwithstanding clause (A), the terms of the final offer of public financial resources communicated by the department of commerce, the Indiana development finance authority, the **Indiana** film commission, the Indiana business modernization and technology corporation, or economic development commissions to an industrial, a research, or a commercial prospect shall be available for inspection and copying under section 3 of this chapter after negotiations with that prospect have terminated.
 - (C) When disclosing a final offer under clause (B), the department of commerce shall certify that the information being disclosed accurately and completely represents the terms of the final offer.
- (6) Records that are intra-agency or interagency advisory or deliberative material, including material developed by a private contractor under a contract with a public agency, that are expressions of opinion or are of a speculative nature, and that are communicated for the purpose of decision making.
- (7) Diaries, journals, or other personal notes serving as the functional equivalent of a diary or journal.
- (8) Personnel files of public employees and files of applicants for public employment, except for:
 - (A) the name, compensation, job title, business address, business telephone number, job description, education and training background, previous work experience, or dates of first and last employment of present or former officers or employees of the agency;
 - (B) information relating to the status of any formal charges

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against the employee; and

(C) information concerning disciplinary actions in which final action has been taken and that resulted in the employee being disciplined or discharged.

However, all personnel file information shall be made available to the affected employee or his representative. This subdivision does not apply to disclosure of personnel information generally on all employees or for groups of employees without the request being particularized by employee name.

(9) Minutes or records of hospital medical staff meetings.

(10) Administrative or technical information that would jeopardize a recordkeeping or security system.

(11) Computer programs, computer codes, computer filing systems, and other software that are owned by the public agency or entrusted to it and portions of electronic maps entrusted to a public agency by a utility.

(12) Records specifically prepared for discussion or developed during discussion in an executive session under IC 5-14-1.5-6.1. However, this subdivision does not apply to that information required to be available for inspection and copying under subdivision (8).

(13) The work product of the legislative services agency under personnel rules approved by the legislative council.

(14) The work product of individual members and the partisan staffs of the general assembly.

(15) The identity of a donor of a gift made to a public agency if:

(A) the donor requires nondisclosure of his identity as a condition of making the gift; or

(B) after the gift is made, the donor or a member of the donor's family requests nondisclosure.

(16) Library or archival records:

(A) which can be used to identify any library patron; or

(B) deposited with or acquired by a library upon a condition that the records be disclosed only:

(i) to qualified researchers;

(ii) after the passing of a period of years that is specified in the documents under which the deposit or acquisition is made; or

(iii) after the death of persons specified at the time of the acquisition or deposit.

However, nothing in this subdivision shall limit or affect contracts entered into by the Indiana state library pursuant to

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IC 4-1-6-8.

(17) The identity of any person who contacts the bureau of motor vehicles concerning the ability of a driver to operate a motor vehicle safely and the medical records and evaluations made by the bureau of motor vehicles staff or members of the driver licensing advisory committee. However, upon written request to the commissioner of the bureau of motor vehicles, the driver must be given copies of the driver's medical records and evaluations that concern the driver.

(18) School safety and security measures, plans, and systems, including emergency preparedness plans developed under 511 IAC 6.1-2-2.5.

(c) Notwithstanding section 3 of this chapter, a public agency is not required to create or provide copies of lists of names and addresses, unless the public agency is required to publish such lists and disseminate them to the public pursuant to statute. However, if a public agency has created a list of names and addresses, it must permit a person to inspect and make memoranda abstracts from the lists unless access to the lists is prohibited by law. The following lists of names and addresses may not be disclosed by public agencies to commercial entities for commercial purposes and may not be used by commercial entities for commercial purposes:

- (1) A list of employees of a public agency.
- (2) A list of persons attending conferences or meetings at a state institution of higher education or of persons involved in programs or activities conducted or supervised by the state institution of higher education.
- (3) A list of students who are enrolled in a public school corporation if the governing body of the public school corporation adopts a policy:
 - (A) prohibiting the disclosure of the list to commercial entities for commercial purposes; or
 - (B) specifying the classes or categories of commercial entities to which the list may not be disclosed or by which the list may not be used for commercial purposes.

A policy adopted under subdivision (3) must be uniform and may not discriminate among similarly situated commercial entities.

(d) Nothing contained in subsection (b) shall limit or affect the right of a person to inspect and copy a public record required or directed to be made by any statute or by any rule of a public agency.

(e) Notwithstanding any other law, a public record that is classified as confidential, other than a record concerning an adoption, shall be

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made available for inspection and copying seventy-five (75) years after the creation of that record.

(f) Notwithstanding subsection (e) and section 7 of this chapter:

- (1) public records subject to IC 5-15 may be destroyed only in accordance with record retention schedules under IC 5-15; or
- (2) public records not subject to IC 5-15 may be destroyed in the ordinary course of business.

SECTION 18. IC 6-1.1-10-16.7, AS AMENDED BY P.L.185-2001, SECTION 1, AS AMENDED BY P.L.186-2001, SECTION 2, AND AS AMENDED BY P.L.291-2001, SECTION 195, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16.7. Real property is exempt from property taxation if:

(1) the real property is located within:

- ~~(A)~~ a county containing a consolidated city; or
- ~~(B)~~ a county having a population of more than thirty-eight thousand five hundred (38,500) but less than thirty-nine thousand (39,000);

(2) the real property is owned by an Indiana corporation;

~~(3)~~ (1) the improvements on the real property were constructed, rehabilitated, or acquired for the purpose of providing housing to income eligible persons under the federal low income housing tax credit program under 26 U.S.C. 42;

~~(4)~~ (2) the real property is subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana housing finance authority; and

~~(5)~~ (3) the owner of the property has entered into an agreement to make payments in lieu of taxes under IC 36-1-8-14.2, or IC 36-2-6-22, or IC 36-3-2-11.

SECTION 19. IC 6-1.1-12.1-5.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: **Sec. 5.4. (a) A person that desires to obtain the deduction provided by section 4.5 of this chapter must file a certified deduction application on forms prescribed by the department of local government finance with:**

(1) the auditor of the county in which the new manufacturing equipment or new research and development equipment, or both, is located; and

(2) the department of local government finance.

A person that timely files a personal property return under IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment or new research and development equipment, or both,

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is installed must file the application between March 1 and May 15 of that year. A person that obtains a filing extension under IC 6-1.1-3-7(b) for the year in which the new manufacturing equipment or new research and development equipment, or both, is installed must file the application between March 1 and the extended due date for that year.

(b) The deduction application required by this section must contain the following information:

- (1) The name of the owner of the new manufacturing equipment or new research and development equipment, or both.
- (2) A description of the new manufacturing equipment or new research and development equipment, or both.
- (3) Proof of the date the new manufacturing equipment or new research and development equipment, or both, was installed.
- (4) The amount of the deduction claimed for the first year of the deduction.

(c) This subsection applies to a deduction application with respect to new manufacturing equipment or new research and development equipment, or both, for which a statement of benefits was initially approved after April 30, 1991. If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body, and the designating body shall adopt a resolution under section 4.5(h)(2) of this chapter.

(d) A deduction application must be filed under this section in the year in which the new manufacturing equipment or new research and development equipment, or both, is installed and in each of the immediately succeeding years the deduction is allowed.

(e) The department of local government finance shall review and verify the correctness of each deduction application and shall notify the county auditor of the county in which the property is located that the deduction application is approved or denied or that the amount of the deduction is altered. Upon notification of approval of the deduction application or of alteration of the amount of the deduction, the county auditor shall make the deduction. The county auditor shall notify the county property tax assessment board of appeals of all deductions approved under this section.

(f) If the ownership of new manufacturing equipment or new

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research and development equipment, or both, changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:

- (1) continues to use the equipment in compliance with any standards established under section 2(g) of this chapter; and
- (2) files the deduction applications required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

(h) If a person desires to initiate an appeal of the department of local government finance's final determination, the person must file a petition with the Indiana board not more than forty-five (45) days after the department of local government finance gives the person notice of the final determination.

(i) If a person desires to initiate a proceeding for judicial review of the Indiana board's final determination, the person must petition for judicial review under IC 4-21.5-5 not more than forty-five (45) days after the Indiana board gives the person notice of the final determination.

SECTION 20. IC 6-1.1-15-10, AS AMENDED BY P.L.198-2001, SECTION 49, AND AS AMENDED BY P.L.291-2001, SECTION 205, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) If a petition for review to any board or ~~an appeal to a proceeding for judicial review~~ in the tax court regarding an assessment or increase in assessment is pending, the taxes resulting from the assessment or increase in assessment are, notwithstanding the provisions of IC 6-1.1-22-9, not due until after the petition for review, or the ~~appeal, proceeding for judicial review~~, is finally adjudicated and the assessment or increase in assessment is finally determined. However, even though a petition for review or ~~an appeal a proceeding for judicial review~~ is pending, the taxpayer shall pay taxes on the tangible property when the property tax installments come due, unless the collection of the taxes is ~~enjoined~~ stayed under IC 4-21.5-5-9 pending ~~an original tax appeal under IC 33-3-5: a final determination in the proceeding for judicial review~~. The amount of taxes which the taxpayer is required to pay, pending the final determination of the assessment or increase in assessment, shall be based on:

- (1) the assessed value reported by the taxpayer on the taxpayer's personal property return if a personal property assessment, or an increase in such an assessment, is involved; or



(2) an amount based on the immediately preceding year's assessment of real property if an assessment, or increase in assessment, of real property is involved.

(b) If the petition for review or the ~~appeal~~ *proceeding for judicial review* is not finally determined by the last installment date for the taxes, the taxpayer, upon showing of cause by a taxing official or at the tax court's discretion, may be required to post a bond or provide other security in an amount not to exceed the taxes resulting from the contested assessment or increase in assessment.

(c) Each county auditor shall keep separate on the tax duplicate a record of that portion of the assessed value of property:

(1) on which a taxpayer is not required to pay taxes under subsection (a); *or*

(2) *that is described in IC 6-1.1-17-0.5(b).*

When establishing rates and calculating state school support, the ~~state board of tax commissioners~~ *department of local government finance* shall recognize the fact that a taxpayer is not required to pay taxes under certain circumstances.

SECTION 21. IC 6-1.1-18.5-3, AS AMENDED BY P.L.151-2001, SECTION 4, AND AS AMENDED BY P.L.198-2001, SECTION 53, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as otherwise provided in this chapter *and IC 6-3.5-8-12*, a civil taxing unit that is treated as not being located in an adopting county under section 4 of this chapter may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Add the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year to the part of the civil taxing unit's certified share, if any, that was used to reduce the civil taxing unit's ad valorem property tax levy under STEP EIGHT of subsection (b) for that preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the amount determined in *either* the last STEP of section ~~2~~ *2(a)* of this chapter *for calendar years ending before January 1, 2006, or the last STEP of section 2(b) of this chapter for calendar years beginning after December 31, 2005.*

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient (rounded to the nearest ten-thousandth), of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year, divided by the assessed value of all taxable property that is

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subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).

STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.

STEP SIX: Add the amount determined under STEP TWO to the amount determined under subsection (c).

STEP SEVEN: Determine the greater of the amount determined under STEP FIVE or the amount determined under STEP SIX.

(b) Except as otherwise provided in this chapter *and IC 6-3.5-8-12*, a civil taxing unit that is treated as being located in an adopting county under section 4 of this chapter may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Add the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year to the part of the civil taxing unit's certified share, if any, used to reduce the civil taxing unit's ad valorem property tax levy under STEP EIGHT of this subsection for that preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the amount determined in *either* the last STEP of section 2(a) of this chapter *for calendar years ending before January 1, 2006, or the last STEP of section 2(b) of this chapter for calendar years beginning after December 31, 2005*.

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).

STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.

STEP SIX: Add the amount determined under STEP TWO to the amount determined under subsection (c).

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STEP SEVEN: Determine the greater of the amount determined under STEP FIVE or the amount determined under STEP SIX.

STEP EIGHT: Subtract the amount determined under STEP FIVE of subsection (e) from the amount determined under STEP SEVEN of this subsection.

(c) If a civil taxing unit in the immediately preceding calendar year provided an area outside its boundaries with services on a contractual basis and in the ensuing calendar year that area has been annexed by the civil taxing unit, the amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as the case may be, equals the amount paid by the annexed area during the immediately preceding calendar year for services that the civil taxing unit must provide to that area during the ensuing calendar year as a result of the annexation. In all other cases, the amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as the case may be, equals zero (0).

(d) This subsection applies only to civil taxing units located in a county having a county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) of one percent (1%) as of January 1 of the ensuing calendar year. For each civil taxing unit, the amount to be added to the amount determined in subsection (e), STEP FOUR, is determined using the following formula:

STEP ONE: Multiply the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year by two percent (2%).

STEP TWO: For the determination year, the amount to be used as the STEP TWO amount is the amount determined in subsection (f) for the civil taxing unit. For each year following the determination year the STEP TWO amount is the lesser of:

- (A) the amount determined in STEP ONE; or
- (B) the amount determined in subsection (f) for the civil taxing unit.

STEP THREE: Determine the greater of:

- (A) zero (0); or
- (B) the civil taxing unit's certified share for the ensuing calendar year minus the greater of:
 - (i) the civil taxing unit's certified share for the calendar year that immediately precedes the ensuing calendar year; or
 - (ii) the civil taxing unit's base year certified share.

STEP FOUR: Determine the greater of:

- (A) zero (0); or
- (B) the amount determined in STEP TWO minus the amount

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determined in STEP THREE.

Add the amount determined in STEP FOUR to the amount determined in subsection (e), STEP THREE, as provided in subsection (e), STEP FOUR.

(e) For each civil taxing unit, the amount to be subtracted under subsection (b), STEP EIGHT, is determined using the following formula:

STEP ONE: Determine the lesser of the civil taxing unit's base year certified share for the ensuing calendar year, as determined under section 5 of this chapter, or the civil taxing unit's certified share for the ensuing calendar year.

STEP TWO: Determine the greater of:

(A) zero (0); or

(B) the remainder of:

(i) the amount of federal revenue sharing money that was received by the civil taxing unit in 1985; minus

(ii) the amount of federal revenue sharing money that will be received by the civil taxing unit in the year preceding the ensuing calendar year.

STEP THREE: Determine the lesser of:

(A) the amount determined in STEP TWO; or

(B) the amount determined in subsection (f) for the civil taxing unit.

STEP FOUR: Add the amount determined in subsection (d), STEP FOUR, to the amount determined in STEP THREE.

STEP FIVE: Subtract the amount determined in STEP FOUR from the amount determined in STEP ONE.

(f) As used in this section, a taxing unit's "determination year" means the latest of:

(1) calendar year 1987, if the taxing unit is treated as being located in an adopting county for calendar year 1987 under section 4 of this chapter;

(2) the taxing unit's base year, as defined in section 5 of this chapter, if the taxing unit is treated as not being located in an adopting county for calendar year 1987 under section 4 of this chapter; or

(3) the ensuing calendar year following the first year that the taxing unit is located in a county that has a county adjusted gross income tax rate of more than one-half percent (0.5%) on July 1 of that year.

The amount to be used in subsections (d) and (e) for a taxing unit depends upon the taxing unit's certified share for the ensuing calendar

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year, the taxing unit's determination year, and the county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of the year preceding the ensuing calendar year. For the determination year and the ensuing calendar years following the taxing unit's determination year, the amount is the taxing unit's certified share for the ensuing calendar year multiplied by the appropriate factor prescribed in the following table:

COUNTIES WITH A TAX RATE OF 1/2%

Year	Subsection (e) Factor
For the determination year and each ensuing calendar year following the determination year	0

COUNTIES WITH A TAX RATE OF 3/4%

Year	Subsection (e) Factor
For the determination year and each ensuing calendar year following the determination year	1/2

COUNTIES WITH A TAX RATE OF 1.0%

Year	Subsection (d) Factor	Subsection (e) Factor
For the determination year	1/6	1/3
For the ensuing calendar year following the determination year	1/4	1/3
For the ensuing calendar year following the determination year by two (2) years	1/3	1/3

SECTION 22. IC 6-1.1-18.5-13, AS AMENDED BY P.L.181-2001, SECTION 1, AND AS AMENDED BY P.L.198-2001, SECTION 55, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. With respect to an appeal filed under section 12 of this chapter, the local government tax control board may recommend that a civil taxing unit receive any one (1) or more of the following types of relief:

- (1) Permission to the civil taxing unit to reallocate the amount set aside as a property tax replacement credit as required by IC 6-3.5-1.1 for a purpose other than property tax relief. However, whenever this occurs, the local government tax control board shall also state the amount to be reallocated.
- (2) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if in the judgment of the local government tax control board the



increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas or persons.

(3) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to meet the civil taxing unit's share of the costs of operating a court established by statute enacted after December 31, 1973. Before recommending such an increase, the local government tax control board shall consider all other revenues available to the civil taxing unit that could be applied for that purpose. The maximum aggregate levy increases that the local government tax control board may recommend for a particular court equals the civil taxing unit's share of the costs of operating a court for the first full calendar year in which it is in existence.

(4) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the civil taxing unit's average three (3) year growth factor, as determined in section \S 2(a) (STEP THREE) of this chapter *for calendar years ending before January 1, 2006, or section 2(b) (STEP THREE) of this chapter for calendar years beginning after December 31, 2005*, exceeds one and one-tenth (1.1). However, any increase in the amount of the civil taxing unit's levy recommended by the local government tax control board under this subdivision may not exceed an amount equal to the remainder of:

(A) the amount of ad valorem property taxes the civil taxing unit could impose for the ensuing calendar year under section 3 of this chapter if at STEP TWO of subsection (a) or (b), as the case may be, the amount determined in STEP THREE of section \S 2(a) of this chapter *for calendar years ending before January 1, 2006, or in STEP THREE of section 2(b) of this chapter for calendar years beginning after December 31, 2005*, is substituted for the amount determined under STEP FIVE of section \S 2(a) of this chapter *for calendar years ending before January 1, 2006, or under STEP FIVE of section 2(b) of this chapter for calendar years beginning after December 31, 2005*; minus

(B) the amount of ad valorem property taxes the civil taxing unit could impose under section 3 of this chapter for the ensuing calendar year.



In addition, before the local government tax control board may recommend the relief allowed under this subdivision, the civil taxing unit must show a need for the increased levy because of special circumstances, and the local government tax control board must consider other sources of revenue and other means of relief.

(5) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to pay the costs of furnishing fire protection for the civil taxing unit through a volunteer fire department. For purposes of determining a township's need for an increased levy, the local government tax control board shall not consider the amount of money borrowed under IC 36-6-6-14 during the immediately preceding calendar year. However, any increase in the amount of the civil taxing unit's levy recommended by the local government tax control board under this subdivision for the ensuing calendar year may not exceed the lesser of:

(A) ten thousand dollars (\$10,000); or

(B) twenty percent (20%) of:

(i) the amount authorized for operating expenses of a volunteer fire department in the budget of the civil taxing unit for the immediately preceding calendar year; plus

(ii) the amount of any additional appropriations authorized during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department under ~~IC 6-1-1-18.5~~; *this chapter*; minus

(iii) the amount of money borrowed under IC 36-6-6-14 during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department.

(6) Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter in order to raise revenues for pension payments and contributions the civil taxing unit is required to make under IC 36-8. The maximum increase in a civil taxing unit's levy that may be recommended under this subdivision for an ensuing calendar year equals the amount, if any, by which the pension payments and contributions the civil taxing unit is required to make under IC 36-8 during the ensuing calendar year exceeds the product of one and one-tenth (1.1) multiplied by the pension payments and contributions made by the civil taxing unit under IC 36-8 during the calendar year that immediately precedes the ensuing calendar year. For purposes of this subdivision, "pension payments and

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contributions made by a civil taxing unit" does not include that part of the payments or contributions that are funded by distributions made to a civil taxing unit by the state.

(7) Permission to increase its levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

(A) the township's poor relief ad valorem property tax rate is less than one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation; and

(B) the township needs the increase to meet the costs of providing poor relief under IC 12-20 and IC 12-30-4.

The maximum increase that the board may recommend for a township is the levy that would result from an increase in the township's poor relief ad valorem property tax rate of one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation minus the township's ad valorem property tax rate per one hundred dollars (\$100) of assessed valuation before the increase.

(8) Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) the increase has been approved by the legislative body of the municipality with the largest population where the civil taxing unit provides public transportation services; and

(B) the local government tax control board finds that the civil taxing unit needs the increase to provide adequate public transportation services.

The local government tax control board shall consider tax rates and levies in civil taxing units of comparable population, and the effect (if any) of a loss of federal or other funds to the civil taxing unit that might have been used for public transportation purposes. However, the increase that the board may recommend under this subdivision for a civil taxing unit may not exceed the revenue that would be raised by the civil taxing unit based on a property tax rate of one cent (\$0.01) per one hundred dollars (\$100) of assessed valuation.

(9) Permission to a civil taxing unit to increase the unit's levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

(A) the civil taxing unit is:

(i) a county having a population of more than ~~one hundred twenty-nine thousand (129,000)~~ but less than ~~one hundred thirty thousand six hundred (130,600)~~; **one hundred**



forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000);

(ii) a city having a population of more than ~~forty-three thousand seven hundred (43,700)~~ but less than ~~forty-four thousand (44,000)~~; **fifty-five thousand (55,000) but less than fifty-nine thousand (59,000);**

(iii) a city having a population of more than ~~twenty-five thousand five hundred (25,500)~~ but less than ~~twenty-six thousand (26,000)~~; **twenty-eight thousand seven hundred (28,700) but less than twenty-nine thousand (29,000);**

(iv) a city having a population of more than ~~fifteen thousand three hundred fifty (15,350)~~ but less than ~~fifteen thousand five hundred seventy (15,570)~~; **fifteen thousand four hundred (15,400) but less than sixteen thousand six hundred (16,600);** or

(v) a city having a population of more than ~~five thousand six hundred fifty (5,650)~~ but less than ~~five thousand seven hundred eight (5,708)~~; **seven thousand (7,000) but less than seven thousand three hundred (7,300);** and

(B) the increase is necessary to provide funding to undertake removal (as defined in ~~IC 13-7-8.7-1~~ IC 13-11-2-187) and remedial action (as defined in ~~IC 13-7-8.7-1~~ IC 13-11-2-185) relating to hazardous substances (as defined in ~~IC 13-7-8.7-1~~ IC 13-11-2-98) in solid waste disposal facilities or industrial sites in the civil taxing unit that have become a menace to the public health and welfare.

The maximum increase that the local government tax control board may recommend for such a civil taxing unit is the levy that would result from a property tax rate of six and sixty-seven hundredths cents (\$0.0667) for each one hundred dollars (\$100) of assessed valuation. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular year does not include that part of the levy imposed under this subdivision. In addition, a property tax increase permitted under this subdivision may be imposed for only two (2) calendar years.

(10) Permission for a county having a population of more than ~~seventy-eight thousand (78,000)~~ but less than ~~eighty-five thousand (85,000)~~ **eighty thousand (80,000) but less than ninety thousand (90,000)** to increase the county's levy in excess of the limitations established under section 3 of this chapter, if the local

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government tax control board finds that the county needs the increase to meet the county's share of the costs of operating a jail or juvenile detention center, including expansion of the facility, if the jail or juvenile detention center is opened after December 31, 1991. Before recommending an increase, the local government tax control board shall consider all other revenues available to the county that could be applied for that purpose. An appeal for operating funds for a jail or juvenile detention center shall be considered individually, if a jail and juvenile detention center are both opened in one (1) county. The maximum aggregate levy increases that the local government tax control board may recommend for a county equals the county's share of the costs of operating the jail or juvenile detention center for the first full calendar year in which the jail or juvenile detention center is in operation.

(11) Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township needs the increase so that the property tax rate to pay the costs of furnishing fire protection for a township, or a portion of a township, enables the township to pay a fair and reasonable amount under a contract with the municipality that is furnishing the fire protection. However, for the first time an appeal is granted the resulting rate increase may not exceed fifty percent (50%) of the difference between the rate imposed for fire protection within the municipality that is providing the fire protection to the township and the township's rate. A township is required to appeal a second time for an increase under this subdivision if the township wants to further increase its rate. However, a township's rate may be increased to equal but may not exceed the rate that is used by the municipality. More than one (1) township served by the same municipality may use this appeal.

(12) Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township has been required, for the three (3) consecutive years preceding the year for which the appeal under this subdivision is to become effective, to borrow funds under IC 36-6-6-14 to furnish fire protection for the township or a part of the township. However, the maximum increase in a township's levy that may be allowed under this subdivision is the least of the amounts borrowed under IC 36-6-6-14 during the preceding three (3) calendar years. A

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particular township may appeal to increase its levy under this section not more frequently than every fourth calendar year.

*(13) Permission to a city having a population of more than ~~twenty-three thousand five hundred (23,500)~~ but less than ~~twenty-four thousand (24,000)~~ **twenty-nine thousand (29,000)** but less than **thirty-one thousand (31,000)** to increase its levy in excess of the limitations established under section 3 of this chapter if:*

(A) an appeal was granted to the city under subdivision (1) in 1998, 1999, and 2000; and

(B) the increase has been approved by the legislative body of the city, and the legislative body of the city has by resolution determined that the increase is necessary to pay normal operating expenses.

The maximum amount of the increase is equal to the amount of property tax replacement credits under IC 6-3.5-1.1 that the city petitioned to have reallocated in 2001 under subdivision (1) for a purpose other than property tax relief.

SECTION 23. IC 6-1.1-21.6-1, AS ADDED BY P.L.291-2001, SECTION 238, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Before January 1, 2002, a school corporation may apply to the school property tax control board for a recommendation concerning a distribution to the school corporation from the property tax replacement fund. The school property tax control board shall recommend a distribution from the fund to the school corporation if the board finds that the following conditions are met:

(1) At least two (2) installments of personal and real property taxes due on tangible property subject to taxation by the school corporation ~~is~~ **are** delinquent.

(2) The assessed value of the tangible property described in subdivision (1) is at least nine percent (9%) of the assessed value of all tangible property subject to taxation by the school corporation.

(3) The school corporation has experienced and will continue to experience a significant revenue shortfall as a result of the default.

(4) The school corporation is presented with unique fiscal challenges to finance its operations due to the taxpayer's filing of a petition under the federal bankruptcy code.

SECTION 24. IC 6-1.1-24-5.3, AS ADDED BY P.L.98-2000, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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UPON PASSAGE]: Sec. 5.3. (a) This section applies to the following:

- (1) A person who owes delinquent taxes, special assessments, penalties, interest, or costs directly attributable to a prior tax sale on a tract of real property listed under section 1 of this chapter.
- (2) A person who is an agent of the person described in subdivision (1).

(b) A person subject to this section may not purchase a tract offered for sale under section 5 ~~5.2~~, or 5.5 or ~~5.6~~ of this chapter.

(c) If a person purchases a tract that the person was not eligible to purchase under this section, the sale of the property is void. The county treasurer shall apply the amount of the person's bid to the person's delinquent taxes and offer the real property for sale again under this chapter.

SECTION 25. IC 6-1.1-24-9, AS AMENDED BY P.L.139-2001, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Immediately after a tax sale purchaser pays the bid, as evidenced by the receipt of the county treasurer, or immediately after the county acquires a lien under section 6 of this chapter, ~~or a city acquires a lien under section 6.6 of this chapter~~, the county auditor shall deliver a certificate of sale to the purchaser or to the county or to the city. The certificate shall be signed by the auditor and registered in the auditor's office. The certificate shall contain:

- (1) a description of real property ~~which~~ **that** corresponds to the description used on the notice of sale;
- (2) the name of:
 - (A) the owner of record at the time of the sale of real property with a single owner; or
 - (B) at least one (1) of the owners of real property with multiple owners;
- (3) the mailing address of the owner of the real property sold as indicated in the records of the county auditor;
- (4) the name of the purchaser;
- (5) the date of sale;
- (6) the amount for which the real property was sold;
- (7) the amount of the minimum bid for which the tract or real property was offered at the time of sale as required by section 5 of this chapter;
- (8) the date when the period of redemption specified in IC 6-1.1-25-4 will expire;
- (9) the court cause number under which judgment was obtained; and
- (10) the street address, if any, or common description of the real



property.

(b) When a certificate of sale is issued under this section, the purchaser acquires a lien against the real property for the entire amount paid. The lien of the purchaser is superior to all liens against the real property which exist at the time the certificate is issued.

(c) A certificate of sale is assignable. However, an assignment is not valid unless it is endorsed on the certificate of sale, acknowledged before an officer authorized to take acknowledgments of deeds, and registered in the office of the county auditor. When a certificate of sale is assigned, the assignee acquires the same rights and obligations that the original purchaser acquired.

SECTION 26. IC 6-1.1-25-4, AS AMENDED BY P.L.139-2001, SECTION 14, AND AS AMENDED BY P.L.198-2001, SECTION 60, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) *If a certificate of sale is issued to a purchaser under IC 6-1.1-24-9 and the real property is not redeemed within: The period for redemption of real property sold under IC 6-1.1-24 is:*

- (1) one (1) year after the date of sale;
- (2) one hundred twenty (120) days after the county acquires a lien on the property under IC 6-1.1-24-6;
- (3) one hundred twenty (120) days *from* after the date of sale to a purchasing agency qualified under IC 36-7-17;
- (4) one hundred twenty (120) days *from* after the date of sale of real property on the list prepared under IC 6-1.1-24-1.5; or
- (5) one hundred twenty (120) days after the date of sale under IC 6-1.1-24-5.5(b).

as extended by compliance with the notice provisions in section 4.5 of this chapter; the county auditor shall, upon receipt of the certificate and subject to the limitations contained in this chapter, execute and deliver a deed for the property to the purchaser. If a certificate of sale is issued to a county under IC 6-1.1-24-9 and the real property is not redeemed within one (1) year after the date of sale; the county auditor shall, upon receipt of the certificate and subject to the limitations contained in this chapter, issue a deed for the property to the county. The county auditor shall execute deeds issued under this section in the name of the state under the county auditor's name and seal. If a certificate of sale is lost before the execution of a deed, the county auditor shall, subject to the limitations in this chapter, execute and deliver a deed if the court has made a finding that the certificate did exist.

(b) When a deed for real property is executed under this *section*;

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chapter, the county auditor shall cancel the certificate of sale and file the canceled certificate in ~~his~~ *the office of the county auditor*. If real property that appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e) is not received, the county auditor shall issue a deed to the real property in the manner provided in IC 6-1.1-24-6.5.

(c) When a deed is issued to a county under this ~~section~~ *chapter*, the taxes and special assessments for which the real property was offered for sale, and all subsequent taxes, special assessments, interest, penalties, and cost of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(d) A tax deed executed under this ~~section~~ *chapter* vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments which accrue subsequent to the sale and which are not removed under subsection (c). However, the estate is subject to:

- (1) all easements, covenants, declarations, and other deed restrictions *shown by public records; and*
- (2) laws, ~~governing land use~~, ordinances, and regulations concerning governmental police powers, including ~~all~~ zoning, ~~restrictions~~ building, land use, improvements on the land, land division, and environmental protection; and
- (3) liens and encumbrances created or suffered by the ~~purchaser at the tax sale~~ grantee.

(e) ~~The~~ A tax deed executed under this *chapter* is prima facie evidence of:

- (1) the regularity of the sale of the real property described in the deed;
- (2) the regularity of all proper proceedings; and
- (3) valid title in fee simple in the grantee of the deed.

~~(e)~~ *Notwithstanding the provisions of subsection (a);*

(f) A county auditor is not required to execute a deed to the county under ~~subsection (a)~~ *this chapter* if the county executive determines that the property involved contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property. The county may enter the property to conduct environmental investigations.

~~(f)~~ (g) If the county executive makes the determination under subsection ~~(e)~~ (f) as to any interest in an oil or gas lease or separate

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mineral rights, the county treasurer shall certify all delinquent taxes, interest, penalties, and costs assessed under IC 6-1.1-24 to the clerk, following the procedures in IC 6-1.1-23-9. After the date of the county treasurer's certification, the certified amount is subject to collection as delinquent personal property taxes under IC 6-1.1-23. Notwithstanding IC 6-1.1-4-12.4 and ~~IC 6-1.1-4-12.5~~, IC 6-1.1-4-12.6, the assessed value of such an interest shall be zero (0) until production commences.

SECTION 27. IC 6-1.1-25-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.5. (a) The deed given by the county auditor to a county ~~which that~~ acquired property under IC 6-1.1-24-6, or to a city agency ~~which that~~ acquired property under IC 36-7-17, shall be in a form prescribed by the state board of accounts and approved by the attorney general.

(b) The deed given by the county auditor to a city that ~~acquires~~ **acquired** property under IC 6-1.1-24-6.6 **before its expiration and repeal** must be in a form prescribed by the state board of accounts and approved by the attorney general.

SECTION 28. IC 6-1.1-25-8, AS AMENDED BY P.L.139-2001, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. Each county auditor shall maintain a tax sale record on the form prescribed by the state board of accounts. The record shall contain:

- (1) a description of each parcel of real property that is sold under IC 6-1.1-24;
- (2) the name of the owner of the real property at the time of the sale;
- (3) the date of the sale;
- (4) the name and mailing address of the purchaser and the purchaser's assignee, if any;
- (5) the amount of the minimum bid;
- (6) the amount for which the real property is sold;
- (7) the amount of any taxes paid by the purchaser or the purchaser's assignee and the date of the payment;
- (8) the amount of any costs certified to the county auditor under section 2(e) of this chapter and the date of the certification;
- (9) the name of the person, if any, who redeems the property;
- (10) the date of redemption;
- (11) the amount for which the property is redeemed;
- ~~(9)~~ (12) the date a deed, if any, to the real property is executed; and
- (13) the name of the grantee in the deed.

SECTION 29. IC 6-1.1-35.5-4, AS AMENDED BY P.L.198-2001,



SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The level one examination shall be given in July, and the level two examination shall be given in August. Both level examinations also shall be offered annually immediately following the conference of **the** department of local government finance and at any other times that coordinate with training sessions conducted under IC 6-1.1-35.2-2. The department of local government finance may also give either or both examinations at other times throughout the year.

(b) Examinations shall be held each year, at the times prescribed in subsection (a), in Indianapolis and at not less than four (4) other convenient locations chosen by the department of local government finance.

(c) The department of local government finance may not limit the number of individuals who take the examination and shall provide an opportunity for all enrollees at each session to take the examination at that session.

SECTION 30. IC 6-3.1-13.5-11, AS ADDED BY P.L.291-2001, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. To receive the credit provided by this ~~section~~, **chapter**, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. A taxpayer claiming a credit under this chapter shall submit to the department of state revenue a copy of the certification letter provided under section 10 of this chapter. The taxpayer shall submit to the department of state revenue all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter and for the determination of whether an expenditure was for a qualified investment.

SECTION 31. IC 6-3.1-20-5, AS ADDED BY P.L.151-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Each year, an individual described in section 4 of this chapter is entitled to a refundable credit against the individual's state income tax liability in the amount determined under this section.

(b) In the case of an individual with earned income of less than eighteen thousand dollars (\$18,000) for the taxable year, the amount of the credit is equal to the lesser of:

- (1) three hundred dollars (\$300); or
- (2) the amount of property taxes described in section ~~4(2)~~ **4(a)(2)** of this chapter paid by the individual in the taxable year.



(c) In the case of an individual with earned income that is at least eighteen thousand dollars (\$18,000) but less than eighteen thousand six hundred dollars (\$18,600) for the taxable year, the amount of the credit is equal to the lesser of the following:

(1) An amount determined under the following STEPS:

STEP ONE: Determine the result of:

- (i) eighteen thousand six hundred dollars (\$18,600); minus
- (ii) the individual's earned income for the taxable year.

STEP TWO: Determine the result of:

- (i) the STEP ONE amount; multiplied by
- (ii) five-tenths (0.5).

(2) The amount of property taxes described in section ~~4(2)~~ **4(a)(2)** of this chapter paid by the individual in the taxable year.

(d) If the amount of the credit under this chapter exceeds the individual's state tax liability for the taxable year, the excess shall be refunded to the taxpayer.

SECTION 32. IC 6-3.1-23.8-7, AS ADDED BY P.L.291-2001, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 7. If the amount of the credit determined under section ~~7 6~~ of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback.

SECTION 33. IC 6-3.5-1.1-2.7, AS ADDED BY P.L.135-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.7. (a) This section applies to a county having a population of more than ~~sixty-eight thousand (68,000) but less than seventy-three thousand (73,000):~~ **seventy-one thousand (71,000) but less than seventy-one thousand four hundred (71,400).**

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

- (1) finance, construct, acquire, improve, renovate, or equip the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings and the acquisition of land; and
- (2) repay bonds issued, or leases entered into, for constructing, acquiring, improving, renovating, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings and the acquisition



of land.

(c) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of:

- (1) fifteen-hundredths percent (0.15%);
- (2) two-tenths percent (0.2%); or
- (3) twenty-five hundredths percent (0.25%);

on the adjusted gross income of county taxpayers if the county council makes the finding and determination set forth in subsection (b). The tax imposed under this section may be imposed only until the later of the date on which the financing on, acquisition, improvement, renovation, and equipping described in subsection (b) is completed or the date on which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid. The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty (20) years.

(d) If the county council makes a determination under subsection (b), the county council may adopt a tax rate under subsection ~~(b)~~: **(c)**. The tax rate may not be imposed at a rate greater than is necessary to pay the costs of financing, acquiring, improving, renovating, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings and the acquisition of land.

(e) The county treasurer shall establish a county jail revenue fund to be used only for purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 11 of this chapter.

(f) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

- (1) may only be used for the purposes described in this section;
- (2) may not be considered by the ~~state board of tax commissioners~~ **department of local government finance** in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and
- (3) may be pledged to the repayment of bonds issued, or leases entered into, for purposes described in subsection (b).

(g) A county described in subsection (a) possesses unique economic development challenges due to underemployment in relation to similarly situated counties. Maintaining low property tax rates is essential to economic development and the use of county adjusted

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gross income tax revenues as provided in this chapter to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described under subsection (b), rather than use of property taxes, promotes that purpose.

(h) Notwithstanding any other law, funds accumulated from the county adjusted gross income tax imposed under this section after:

- (1) the redemption of bonds issued; or
- (2) the final payment of lease rentals due under a lease entered into under this section;

shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

SECTION 34. IC 6-3.5-7-5, AS AMENDED BY P.L.135-2001, SECTION 6, AS AMENDED BY P.L.185-2001, SECTION 3, AND AS AMENDED BY P.L.291-2001, SECTION 179, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as provided in subsection (c), the county economic development income tax may be imposed on the adjusted gross income of county taxpayers. The entity that may impose the tax is:

- (1) the county income tax council (as defined in IC 6-3.5-6-1) if the county option income tax is in effect on January 1 of the year the county economic development income tax is imposed;
- (2) the county council if the county adjusted gross income tax is in effect on January 1 of the year the county economic development tax is imposed; or
- (3) the county income tax council or the county council, whichever acts first, for a county not covered by subdivision (1) or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

(b) Except as provided in subsections (c), ~~and~~ (g), ~~ff~~, and (k), the county economic development income tax may be imposed at a rate of:

- (1) one-tenth percent (0.1%);
- (2) two-tenths percent (0.2%);
- (3) twenty-five hundredths percent (0.25%);
- (4) three-tenths percent (0.3%);
- (5) thirty-five hundredths percent (0.35%);
- (6) four-tenths percent (0.4%);
- (7) forty-five hundredths percent (0.45%); or
- (8) five-tenths percent (0.5%);



on the adjusted gross income of county taxpayers.

(c) Except as provided in subsection (h), (i), ~~or (j), or (k)~~, the county economic development income tax rate plus the county adjusted gross income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). Except as provided in subsection (g), the county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one percent (1%).

(d) To impose the county economic development income tax, the appropriate body must, after January 1 but before April 1 of a year, adopt an ordinance. The ordinance must substantially state the following:

"The _____ County _____ imposes the county economic development income tax on the county taxpayers of _____ County. The county economic development income tax is imposed at a rate of _____ percent (____%) on the county taxpayers of the county. This tax takes effect July 1 of this year."

(e) Any ordinance adopted under this section takes effect July 1 of the year the ordinance is adopted.

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.

(g) This subsection applies to a county having a population of more than ~~one hundred twenty-nine thousand (129,000) but less than one hundred thirty thousand six hundred (130,600):~~ **one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000).** In addition to the rates permitted by subsection (b), the:

(1) county economic development income tax may be imposed at a rate of:

(A) fifteen-hundredths percent (0.15%);

(B) two-tenths percent (0.2%); or

(C) twenty-five hundredths percent (0.25%); and

(2) county economic development income tax rate plus the county option income tax rate that are in effect on January 1 of a year may equal up to one and twenty-five hundredths percent (1.25%); if the county income tax council makes a determination to impose rates under this subsection and section 22 of this chapter.

(h) For a county having a population of more than ~~thirty-seven thousand (37,000) but less than thirty-seven thousand eight hundred (37,800);~~ **forty-one thousand (41,000) but less than forty-three thousand (43,000),** the county economic development income tax rate

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plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and thirty-five hundredths percent (1.35%) if the county has imposed the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

(i) For a county having a population of more than ~~twelve thousand six hundred (12,600)~~ but less than ~~thirteen thousand (13,000)~~, **thirteen thousand five hundred (13,500) but less than fourteen thousand (14,000)**, the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and fifty-five hundredths percent (1.55%).

(j) For a county having a population of more than ~~sixty-eight thousand (68,000)~~ but less than ~~seventy-three thousand (73,000)~~, **seventy-one thousand (71,000) but less than seventy-one thousand four hundred (71,400)**, the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

~~(j) This subsection applies to a county having a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand three hundred (27,300). In addition to the rates permitted under subsection (b):~~

~~(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and~~

~~(2) the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%);~~

~~if the county council makes a determination to impose rates under this subsection and section 22.5 of this chapter.~~

(k) This subsection applies to a county having a population of more than ~~twenty-seven thousand (27,000)~~ but less than ~~twenty-seven thousand three hundred (27,300)~~; **twenty-seven thousand four hundred (27,400) but less than twenty-seven thousand five hundred (27,500)**. In addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%);

if the county council makes a determination to impose rates under this subsection and section 22.5 of this chapter.



SECTION 35. IC 6-3.5-8-9, AS ADDED BY P.L.151-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Except as provided in subsections (c) and ~~(f)~~ (d) and in section 12(c) of this chapter, the fiscal body of a municipality located in a qualifying county may impose a municipal option income tax, which consists of a tax on the adjusted gross income of municipal taxpayers of the municipality. If the tax is imposed, the tax takes effect:

- (1) September 1, 2001, if the fiscal body adopts an ordinance to impose the tax before July 1, 2001; or
- (2) July 1 of the year that the ordinance imposing the tax is adopted, if the ordinance is adopted in 2002 or a later calendar year.

(b) A municipal fiscal body shall hold a public hearing on the proposed ordinance before adopting an ordinance under subsection (a). The municipal fiscal body shall give public notice of the public hearing under IC 5-3-1.

(c) A fiscal body may not impose a municipal option income tax under subsection (a) for a period in which the county adjusted gross income tax, the county option income tax, or the economic development income tax is in effect in the qualifying county in which the municipality is located.

(d) A fiscal body may not impose a municipal option income tax for a calendar year that begins after December 31, 2005.

SECTION 36. IC 7.1-6-2-6, AS AMENDED BY P.L.204-2001, SECTION 57, AND AS AMENDED BY P.L.215-2001, SECTION 15, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The youth tobacco education and enforcement fund is established. The fund shall be administered by the commission.

(b) Expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(e) Money in the fund shall be used for the following purposes:

- (1) ~~One-third (1/3) of the money in the fund~~ For youth smoking prevention education. The commission may contract with the state department of health or the office of the secretary of family and social services for youth smoking prevention education programs.



(2) ~~One-third (1/3) of the money in the fund~~ For education and training of retailers who sell tobacco products. The commission may contract with education and training programs of the office of the secretary of family and social services, the division of mental health *and addiction*, enforcement officers, or a program approved by the commission.

(3) ~~One-third (1/3) of the money in the fund~~ For the commission, for enforcement of youth tobacco laws.

SECTION 37. IC 8-15-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. As used in this chapter, "state highway" means a public road for which the department is responsible under ~~IC 8-9-5-4-6(1)~~: **IC 8-23-2-4.1(4)**.

SECTION 38. IC 9-13-2-34.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 34.3. "Compression release engine brake", for purposes of IC 9-21-8-44.5, has the meaning set forth in IC 9-21-8-44.5(a).**

SECTION 39. IC 9-13-2-110 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 110. "Moving traffic offense", for purposes of IC 9-25-9-1 ~~IC 9-30-2-9~~ and IC 9-30-3-14, has the meaning set forth in IC 9-30-3-14(a).

SECTION 40. IC 9-18-31-6, AS AMENDED BY P.L.176-2001, SECTION 9, AND AS AMENDED BY P.L.237-2001, SECTION 1, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. The fees collected under this chapter shall be distributed as follows:

- (1) Twenty-five percent (25%) to the *state* superintendent of public instruction to administer the school intervention and career counseling development program and fund under IC 20-10.1-28.
- (2) Seventy-five percent (75%) as provided under section 7 of this chapter.

SECTION 41. IC 9-20-11-5, AS AMENDED BY P.L.176-2001, SECTION 9, AND AS AMENDED BY P.L.237-2001, SECTION 1, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. *In addition to the limits and requirements set forth in sections 2 through 4 of this chapter, the maximum length of a:*

- (1) truck-trailer combination; or
- (2) truck-wagon combination;

and its load, *used in intrastate transportation*, designed and utilized as set forth in section 1(1)(A) and 1(1)(B) of this chapter, is sixty-eight (68) feet.



SECTION 42. IC 9-21-8-44.5, AS ADDED BY P.L.23-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 44.5. (a) As used in this section, "compression release engine brake" means a hydraulically operated device that converts a power producing diesel engine into a power absorbing retarding mechanism.

(b) A person who drives a motor vehicle equipped with compression release engine brakes on the Indiana toll road in a county having a population of more than ~~one hundred twenty-five thousand (125,000)~~ but less than ~~one hundred twenty-nine thousand (129,000)~~ **one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000)** may not use the **motor vehicle's** compression release engine brakes instead of the service brake system, except in the case of failure of the service brake system.

SECTION 43. IC 9-23-5-1, AS AMENDED BY P.L.118-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter does not apply to a franchise if:

- (1) the franchise is granted to a dealer other than a new motor vehicle dealer; and
- (2) the franchise or other written document filed with the franchisor includes the franchisee's designation of a successor to the franchise who is not the:
 - (A) franchisee's spouse;
 - (B) **child of the franchisee;**
 - (C) **grandchild of the franchisee;**
 - (D) spouse of a:
 - (i) child; or
 - (ii) grandchild;**of the franchisee;**
 - (E) **parent of the franchisee;** or
 - (F) **sibling of the franchisee.**

SECTION 44. IC 9-24-9-2, AS AMENDED BY P.L.138-2001, SECTION 1, AND AS AMENDED BY P.L.176-2001, SECTION 12, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. Each application for a license or permit under this chapter must require the following information:

- (1) The name, ~~age,~~ *date of birth*, sex, *Social Security number*, and mailing address and, if different from the mailing address, the residence address of the applicant. The applicant shall indicate to the bureau which address the license or permit shall contain.



- (2) Whether the applicant has been licensed as an operator, a chauffeur, or a public passenger chauffeur or has been the holder of a learner's permit, and if so, when and by what state.
- (3) Whether the applicant's license or permit has ever been suspended or revoked, and if so, the date of and the reason for the suspension or revocation.
- (4) Whether the applicant has been convicted of a crime punishable as a felony under Indiana motor vehicle law or any other felony in the commission of which a motor vehicle was used.
- (5) Whether the applicant has a physical or mental disability, and if so, the nature of the disability and other information the bureau directs.

The bureau shall maintain records of the information provided under subdivisions (1) through (5).

SECTION 45. IC 9-24-11-5, AS AMENDED BY P.L.42-2001, SECTION 1, AND AS AMENDED BY P.L.176-2001, SECTION 13, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A permit or license issued under this chapter must bear the distinguishing number assigned to the permittee or licensee, and must contain:

- (1) the name *of the permittee or licensee*;
 - (2) the ~~age~~ *date of birth of the permittee or licensee*;
 - (3) the mailing address or residence address *of the permittee or licensee*;
 - (4) a brief description ~~and~~ *of the permittee or licensee*;
 - (5) *if the permittee or licensee is less than eighteen (18) years of age at the time of issuance, the dates on which the permittee or licensee will become:*
 - (A) *eighteen (18) years of age; and*
 - (B) *twenty-one (21) years of age;*
 - (6) *if the permittee or licensee is at least eighteen (18) years of age but less than twenty-one (21) years of age at the time of issuance, the date on which the permittee or licensee will become twenty-one (21) years of age; and*
 - (7) except as provided in subsection (c), *for the purpose of identification, a:*
 - (A) *photograph; or*
 - (B) *computerized image;*
- of the permittee or licensee; for the purpose of identification;*
and additional information that the bureau considers necessary, including a space for the signature of the permittee or licensee.

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(b) In carrying out this section, the bureau shall obtain the equipment necessary to provide the photographs *and computerized images* for permits and licenses as provided in subsection (a).

(c) The following permits or licenses do not require a photograph *or computerized image*:

~~(1) Learner's permit issued under IC 9-24-7.~~

~~(2) (1) Temporary motorcycle learner's permit issued under IC 9-24-8.~~

~~(3) (2) Motorcycle learner's permit issued under IC 9-24-8.~~

~~(4) (3) Operator's license reissued under IC 9-24-12-6.~~

(d) The bureau may provide for the omission of a photograph *or computerized image* from any other license or permit if there is good cause for the omission.

(e) *The information contained on the permit or license as required by subsection (a)(5) or (a)(6) for a permittee or licensee who is less than twenty-one (21) years of age at the time of issuance shall be printed perpendicular to the bottom edge of the permit or license.*

SECTION 46. IC 9-24-12-4, AS AMENDED BY P.L.176-2001, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The application for renewal of:

- (1) an operator's **license**;
- (2) a motorcycle operator's **license**;
- (3) a chauffeur's **license**;
- (4) a public passenger chauffeur's license; or
- (5) an identification card;

under this article may be filed not more than six (6) months before the expiration date of the license or identification card held by the applicant.

SECTION 47. IC 9-24-16-3, AS AMENDED BY P.L.42-2001, SECTION 1, AND AS AMENDED BY P.L.176-2001, SECTION 13, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An identification card must have the same dimensions and shape as a driver's license, but the card must have markings sufficient to distinguish the card from a driver's license.

(b) The front side of an identification card must contain the following information about the individual to whom the card is being issued:

- (1) Full legal name.
- (2) Mailing address and, if different from the mailing address, the residence address.
- (3) ~~Birth~~ Date of birth.



- (4) Date of issue and date of expiration.
- (5) Distinctive identification number or Social Security account number, whichever is requested by the individual.
- (6) Sex.
- (7) Weight.
- (8) Height.
- (9) Color of eyes and hair.
- (10) Signature of the individual identified.
- (11) Whether the individual is blind (as defined in IC 12-7-2-21(1)).
- (12) *If the individual is less than eighteen (18) years of age at the time of issuance, the dates on which the individual will become:*
 - (A) *eighteen (18) years of age; and*
 - (B) *twenty-one (21) years of age.*
- (13) *If the individual is at least eighteen (18) years of age but less than twenty-one (21) years of age at the time of issuance, the date on which the individual will become twenty-one (21) years of age.*
- ~~(12)~~ **(14)** *Photograph or computerized image.*

(c) *The information contained on the ~~permit or license~~ **identification card** as required by subsection (b)(12) or (b)(13) for an individual who is less than twenty-one (21) years of age at the time of issuance shall be printed perpendicular to the bottom edge of the permit or license.*

SECTION 48. IC 9-29-6-1, AS AMENDED BY P.L.176-2001, SECTION 32, AND AS AMENDED BY P.L.216-2001, SECTION 3, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. A vehicle or combination of vehicles having a total gross weight greater than eighty thousand (80,000) pounds but less than one hundred thirty-four thousand (134,000) pounds must obtain a special weight permit for each trip on an extra heavy duty highway. The fee for ~~a~~ *this special weight* permit is forty-one dollars and fifty cents (\$41.50).

SECTION 49. IC 9-30-3-15, AS AMENDED BY P.L.112-2001, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. In a proceeding, prosecution, or hearing where the prosecuting attorney must prove that the defendant had a prior conviction for an offense under this title, the relevant portions of a certified computer printout or electronic copy as set forth in ~~IC 9-4-3-4~~ **IC 9-14-3-4** made from the records of the bureau are admissible as prima facie evidence of the prior conviction. However, the prosecuting attorney must establish that the document identifies the defendant by the defendant's driving license number or by any other identification



method utilized by the bureau.

SECTION 50. IC 12-7-2-69, AS AMENDED BY P.L.215-2001, SECTION 26, AND AS AMENDED BY P.L.283-2001, SECTION 10, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 69. (a) "Division", except as provided in subsections (b) and (c), refers to any of the following:

(1) The division of disability, aging, and rehabilitative services established by IC 12-9-1-1.

(2) The division of family and children established by IC 12-13-1-1.

(3) The division of mental health *and addiction* established by IC 12-21-1-1.

(b) The term refers to the following:

(1) For purposes of the following statutes, the division of disability, aging, and rehabilitative services established by IC 12-9-1-1:

(A) IC 12-9.

(B) IC 12-10.

(C) IC 12-11.

(D) IC 12-12.

(2) For purposes of the following statutes, the division of family and children established by IC 12-13-1-1:

(A) IC 12-13.

(B) IC 12-14.

(C) IC 12-15.

(D) IC 12-16.

(E) *IC 12-16.1.*

~~(F)~~ IC 12-17.

~~(G)~~ IC 12-17.2.

~~(H)~~ IC 12-17.4.

~~(I)~~ IC 12-18.

~~(J)~~ IC 12-19.

~~(K)~~ IC 12-20.

(3) For purposes of the following statutes, the division of mental health and addiction established by IC 12-21-1-1:

(A) IC 12-21.

(B) IC 12-22.

(C) IC 12-23.

(D) IC 12-25.

(c) With respect to a particular state institution, the term refers to the division whose director has administrative control of and responsibility for the state institution.

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(d) For purposes of IC 12-24, IC 12-26, and IC 12-27, the term refers to the division whose director has administrative control of and responsibility for the appropriate state institution.

SECTION 51. IC 12-10-6-2, AS AMENDED BY P.L.215-2001, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) An individual who is incapable of residing in the individual's own home may apply for residential care assistance under this section. The determination of eligibility for residential care assistance is the responsibility of the division. Except as provided in subsections (g) and (i), an individual is eligible for residential care assistance if the division determines that the individual:

- (1) is a recipient of Medicaid or the federal Supplemental Security Income program;
- (2) is incapable of residing in the individual's own home because of dementia, mental illness, or a physical disability;
- (3) requires a degree of care less than that provided by a health care facility licensed under IC 16-28; and
- (4) can be adequately cared for in a residential care setting.

(b) Individuals suffering from mental retardation may not be admitted to a home or facility that provides residential care under this section.

(c) A service coordinator employed by the division may:

- (1) evaluate a person seeking admission to a home or facility under subsection (a); or
- (2) evaluate a person who has been admitted to a home or facility under subsection (a), including a review of the existing evaluations in the person's record at the home or facility.

If the service coordinator determines the person evaluated under this subsection is mentally retarded, the service coordinator may recommend an alternative placement for the person.

(d) Except as provided in section 5 of this chapter, residential care consists of only room, board, and laundry, along with minimal administrative direction. State financial assistance may be provided for such care in a boarding or residential home of the applicant's choosing that is licensed under IC 16-28 or a Christian Science facility listed and certified by the Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc., that meets certain life safety standards considered necessary by the state fire marshal. Payment for such care shall be made to the provider of the care according to division directives and supervision. The amount of nonmedical assistance to be paid on behalf of a recipient living in a boarding home, residential home, or Christian Science facility shall be based on the

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daily rate established by the division. The rate for facilities that are referred to in this section and licensed under IC 16-28 may not exceed an upper rate limit established by a rule adopted by the division. The recipient may retain from the recipient's income a monthly personal allowance of ~~fifty-two dollars (\$52)~~; **fifty dollars (\$50)**. This amount is exempt from income eligibility consideration by the division and may be exclusively used by the recipient for the recipient's personal needs. However, if the recipient's income is less than the amount of the personal allowance, the division shall pay to the recipient the difference between the amount of the personal allowance and the recipient's income. A reserve or an accumulated balance from such a source, together with other sources, may not be allowed to exceed the state's resource allowance allowed for adults eligible for state supplemental assistance or Medicaid as established by the rules of the office of Medicaid policy and planning.

(e) In addition to the amount that may be retained as a personal allowance under this section, an individual shall be allowed to retain an amount equal to the individual's state and local income tax liability. The amount that may be retained during a month may not exceed one-third (1/3) of the individual's state and local income tax liability for the calendar quarter in which that month occurs. This amount is exempt from income eligibility consideration by the division. The amount retained shall be used by the individual to pay any state or local income taxes owed.

(f) In addition to the amounts that may be retained under subsections (d) and (e), an eligible individual may retain a Holocaust victim's settlement payment. The payment is exempt from income eligibility consideration by the division.

(g) The rate of payment to the provider shall be determined in accordance with a prospective prenegotiated payment rate predicated on a reasonable cost related basis, with a growth of profit factor, as determined in accordance with generally accepted accounting principles and methods, and written standards and criteria, as established by the division. The division shall establish an administrative appeal procedure to be followed if rate disagreement occurs if the provider can demonstrate to the division the necessity of costs in excess of the allowed or authorized fee for the specific boarding or residential home. The amount may not exceed the maximum established under subsection (d).

(h) The personal allowance for one (1) month for an individual described in subsection (a) is the amount that an individual would be entitled to retain under subsection (d) plus an amount equal to one-half

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(1/2) of the remainder of:

- (1) gross earned income for that month; minus
- (2) the sum of:
 - (A) sixteen dollars (\$16); plus
 - (B) the amount withheld from the person's paycheck for that month for payment of state income tax, federal income tax, and the tax prescribed by the federal Insurance Contribution Act (26 U.S.C. 3101 et seq.); plus
 - (C) transportation expenses for that month; plus
 - (D) any mandatory expenses required by the employer as a condition of employment.

(i) An individual who, before September 1, 1983, has been admitted to a home or facility that provides residential care under this section is eligible for residential care in the home or facility.

(j) The director of the division may contract with the division of mental health and addiction or the division of disability, aging, and rehabilitative services to purchase services for individuals suffering from mental illness or a developmental disability by providing money to supplement the appropriation for community residential care programs established under IC 12-22-2 or community residential programs established under IC 12-11-1.1-1.

(k) A person with a mental illness may not be placed in a Christian Science facility listed and certified by the Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc., unless the facility is licensed under IC 16-28.

SECTION 52. IC 12-15-15-9, AS AMENDED BY P.L.283-2001, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Subject to subsections (e), (f), (g), and (h), for each state fiscal year ending June 30, 1998, June 30, 1999, June 30, 2000, June 30, 2001, and June 30, 2002, a hospital is entitled to a payment under this section.

(b) Subject to subsections (e), (f), (g), and (h), total payments to hospitals under this section for a state fiscal year shall be equal to all amounts transferred from the state hospital care for the indigent fund established under IC 12-16 or IC 12-16.1 for Medicaid current obligations during the state fiscal year, including amounts of the fund appropriated for Medicaid current obligations.

(c) The payment due to a hospital under this section must be based on a policy developed by the office. The policy:

- (1) is not required to provide for equal payments to all hospitals;
- (2) must attempt, to the extent practicable as determined by the office, to establish a payment rate that minimizes the difference

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between the aggregate amount paid under this section to all hospitals in a county for a state fiscal year and the amount of the county's hospital care for the indigent property tax levy for that state fiscal year; and

(3) must provide that no hospital will receive a payment under this section less than the amount the hospital received under ~~IC 12-15-15-8~~ **section 8 of this chapter** for the state fiscal year ending June 30, 1997.

(d) Following the transfer of funds under subsection (b), an amount equal to the amount determined in the following STEPS shall be deposited in the Medicaid indigent care trust fund under IC 12-15-20-2(2) and used to fund a portion of the state's share of the disproportionate share payments to providers for the state fiscal year:

STEP ONE: Determine the difference between:

(A) the amount transferred from the state hospital care for the indigent fund under subsection (b); and

(B) thirty-five million dollars (\$35,000,000).

STEP TWO: Multiply the amount determined under STEP ONE by the federal medical assistance percentage for the state fiscal year.

(e) If funds are transferred under IC 12-16-14.1-2(e), those funds must be used for the state's share of funding for payments to hospitals under this subsection. A payment under this subsection shall be made to all hospitals that received a payment under this section for the state fiscal year beginning July 1, 2001, and ending June 30, 2002. Payments under this subsection shall be in proportion to each hospital's payment under this section for the state fiscal year beginning July 1, 2001, and ending June 30, 2002.

(f) If the office ~~of the uninsured parents program established by IC 12-17.7-2-1~~ does not implement an uninsured parents program as provided for in IC 12-17.7 before July 1, 2003, and funds are transferred under IC 12-16-14.1-3, a hospital is entitled to a payment under this section for the state fiscal year beginning on July 1, 2002. Payments under this subsection shall be made after July 1, 2003, but before December 31, 2003.

(g) If the office does not implement an uninsured parents program as provided for in IC 12-17.7 before July 1, 2003, a hospital is entitled to a payment under this section for state fiscal years ending after June 30, 2003.

(h) If funds are transferred under IC 12-17.7-9-2, those funds shall be used for the state's share of payments to hospitals under this subsection. A payment under this subsection shall be made to all

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hospitals that received a payment under this section for the state fiscal year beginning July 1, 2001, and ending June 30, 2002. Payments under this subsection shall be in proportion to each hospital's payment under this section for the state fiscal year beginning July 1, 2001, and ending June 30, 2002.

SECTION 53. IC 12-15-20-2, AS AMENDED BY P.L.283-2001, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000 (RETROACTIVE)]: Sec. 2. The Medicaid indigent care trust fund is established to pay the state's share of the following:

- (1) Enhanced disproportionate share payments to providers under IC 12-15-19-1.
- (2) Subject to subdivision (5), disproportionate share payments to providers under IC 12-15-19-2.1.
- (3) Medicaid payments for pregnant women described in IC 12-15-2-13 and infants and children described in IC 12-15-2-14.
- (4) Municipal disproportionate share payments to providers under IC 12-15-19-8.
- (5) Of the intergovernmental transfers deposited into the Medicaid indigent care trust fund under IC 12-15-15-1.1(d), the following apply:
 - (A) The entirety of the intergovernmental transfers deposited into the Medicaid indigent care trust fund under IC 12-15-15-1.1(d) for state fiscal years ending on or before June 30, 2000, shall be used to fund the state's share of the disproportionate share payments to providers under IC 12-15-19-2.1.
 - (B) Of the intergovernmental transfers deposited into the Medicaid indigent care trust fund under IC 12-15-15-1.1(d) for state fiscal years ending after June 30, 2000, an amount equal to one hundred percent (100%) of the total intergovernmental transfers deposited into the Medicaid indigent care trust fund under IC 12-15-15-1.1(d) for the state fiscal year beginning July 1, 1998, and ending June 30, 1999, shall be used to fund the state's share of disproportionate share payments to providers under IC 12-15-19-2.1. The remainder of the intergovernmental transfers under IC 12-15-15-1.1(d) for the state fiscal year shall be transferred to the state uninsured parents program fund established under IC 12-17.8-2-1 to fund the state's share of funding for the uninsured parents program established under IC 12-17.7.
 - (C) If the office does not implement an uninsured parents



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program as provided for in IC 12-17.7 before July 1, 2003, the intergovernmental transfers transferred to the state uninsured parents program fund under clause (B) shall be returned to the Medicaid indigent care trust fund to be used to fund the state's share of Medicaid add-on payments to hospitals licensed under IC 16-21 under a payment methodology which shall be developed by the office.

(D) If funds are transferred under IC 12-17.7-9-2 or ~~IC 12-17.8-2-4(c)~~ **IC 12-17.8-2-4(d)** to the Medicaid indigent care trust fund, the funds shall be used to fund the state's share of Medicaid add-on payments to hospitals licensed under IC 16-21 under a payment methodology which the office shall develop.

SECTION 54. IC 12-15-42-14, AS ADDED BY P.L.287-2001, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The council shall provide an annual report to the governor, the legislative council, and the health finance commission (IC 2-5-23) not later than July 31 each year, beginning in 2003.

(b) The report required under this section must include the following:

(1) The evaluation made by the office under ~~IC 12-15-41-14~~ **IC 12-15-41-13** and any comments the council has regarding the evaluation.

(2) Recommendations for any necessary legislation or rules.

SECTION 55. IC 12-16-14.1-1, AS ADDED BY P.L.283-2001, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) All funds in a county hospital care for the indigent fund on July 1, 2002, derived from taxes levied under IC 12-16-14-1(1) or allocated under IC 12-16-14-1(2) shall be immediately transferred to the state hospital care for the indigent fund.

(b) Subject to subsection (d), beginning July 1, 2002, all tax receipts derived from taxes levied under IC 12-16-14-1(1) that are first due and payable in calendar year 2002 or earlier, or allocated under IC 12-16-14-1(2) in calendar year 2002 or earlier, shall be paid into the county general fund. Before the fifth day of each month, all of the tax receipts paid into the general fund under this ~~subdivision~~ **subsection** during the preceding month shall be transferred to the state hospital care for the indigent fund.

(c) All tax receipts derived from taxes levied under IC 12-16-14-1(1) that are first due and payable after calendar year 2002, or allocated under IC 12-16-14-1(2) after calendar year 2002,

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shall be paid into the county general fund. Before the fifth day of each month, all of the tax receipts paid into the general fund under this ~~subdivision~~ **subsection** during the preceding month shall be transferred to the state uninsured parents program fund established by IC 12-17.8-2-1.

(d) If the state hospital care for the indigent fund is closed under section 2(d) of this chapter at the time a transfer of receipts is to be made to the fund, the receipts shall be transferred to the state uninsured parents program fund established by IC 12-17.8-2-1.

SECTION 56. IC 12-16-14.1-2, AS ADDED BY P.L.283-2001, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) Subject to subsections (b), (c), and (e), and subject to the requirements of IC 12-15-15-9(b) regarding appropriations from the state hospital care for the indigent fund for Medicaid current obligations, beginning July 1, 2002, all funds deposited in the state hospital care for the indigent fund derived from taxes levied under IC 12-16-14-1(1) or allocated under IC 12-16-14-1(2) shall be used by the division to pay claims for services:

- (1) eligible for payment under the hospital care for the indigent program under IC 12-16-2 (before its repeal); and
- (2) provided before July 1, 2002.

(b) This section may not delay, limit, or reduce the following:

- (1) Any appropriation required under state law from the state hospital care for the indigent fund for Medicaid current obligations for the state fiscal years beginning July 1, 2000, and July 1, 2001, for purposes of payments under IC 12-15-15-9(a) through IC 12-15-15-9(d) for the state fiscal years beginning July 1, 2000, and July 1, 2001.

- (2) The transfer of additional funds from the state hospital care for the indigent fund for Medicaid current obligations anticipated under IC 12-15-15-9(b) for purposes of IC 12-15-15-9(a) through IC 12-15-15-9(d) for the state fiscal years beginning July 1, 2000, and July 1, 2001.

- (3) For state fiscal years beginning after June 30, 2002, any other appropriation required under state law from the state hospital care for the indigent fund for the uninsured parents program established under ~~IC 12-17.7-2-2~~ **IC 12-17.7-2-1**.

(c) The division shall cooperate with the office in causing the appropriations and transfers from the state hospital care for the indigent fund described in subsection (b) to occur.

(d) The state hospital care for the indigent fund shall close upon the

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earlier of the following:

- (1) The payment of all funds in the fund.
- (2) The payment of all claims for services provided before July 1, 2002, that were eligible for payment under the hospital care for the indigent program under IC 12-16-2 (before its repeal).

(e) Notwithstanding subsection (d) and IC 12-16.1, if at any time before the closing of the state hospital care for the indigent fund the amount of funds on deposit exceeds the amount necessary to pay the claims for services provided before July 1, 2002, that were eligible for payment under the hospital care for the indigent program under IC 12-16 (before its repeal), those excess funds shall be transferred from the fund for use as the state's share of funding for payments to hospitals under IC 12-15-15-9(e). Subject to ~~the operation of~~ sections 5 and 6 of this chapter, amounts deposited in the state hospital care for the indigent fund under IC 12-16.1 are not subject to this subsection.

(f) Upon the closing of the state hospital care for the indigent fund, no further obligation shall be owed under the hospital care for the indigent program under IC 12-16-2 (before its repeal).

SECTION 57. IC 12-16.1-14-6, AS ADDED BY P.L.283-2001, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6. If an advancement is approved, the county property tax revenue transferred to the state hospital care for the indigent fund shall be immediately used to repay the amount of the interest and advancements made under this ~~section~~ **chapter**.

SECTION 58. IC 12-17.4-4-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The division shall deny a license when an applicant fails to meet the requirements for a license. The division shall deny a license to an applicant who has been convicted of any of the following felonies:

- (1) Murder (IC 35-42-1-1).
- (2) Causing suicide (IC 35-42-1-2).
- (3) Assisting suicide (IC 35-42-1-2.5).
- (4) Voluntary manslaughter (IC 35-42-1-3).
- (5) Reckless homicide (IC 35-42-1-5).
- (6) Battery (IC 35-42-2-1).
- (7) Aggravated battery (IC 35-42-2-1.5).
- (8) Kidnapping (IC 35-42-3-2).
- (9) Criminal confinement (IC 35-42-3-3).
- (10) A felony sex offense under IC 35-42-4.
- (11) Carjacking (IC 35-42-5-2).
- (12) Arson (IC 35-43-1-1).
- (13) Incest (IC 35-46-1-3).



(14) Neglect of a dependent (IC 35-46-1-4(a)(1) and IC 35-46-1-4(a)(2)).

(15) Child selling (~~IC 35-46-1-4(b)~~): **(IC 35-46-1-4(d))**.

(16) A felony involving a weapon under IC 35-47.

(17) A felony relating to controlled substances under IC 35-48-4.

(18) An offense relating to material or a performance that is harmful to minors or obscene under IC 35-49-3.

(19) A felony that is substantially equivalent to a felony listed in subdivisions (1) through (18) for which the conviction was entered in another state.

The division may deny a license to an applicant who has been convicted of a felony that is not listed in this subsection.

(b) The division shall send written notice by certified mail that the application has been denied and give the reasons for the denial.

(c) An administrative hearing concerning the denial of a license shall be provided upon written request by the applicant. The request must be made not more than thirty (30) days after receiving the written notice under subsection (b).

(d) An administrative hearing shall be held not more than sixty (60) days after receiving a written request.

(e) An administrative hearing shall be held in accordance with IC 4-21.5-3.

(f) The division shall issue a decision not more than sixty (60) days after the conclusion of a hearing.

SECTION 59. IC 12-17.7-1-6, AS ADDED BY P.L.283-2001, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. "Program" refers to the uninsured parents program established under ~~IC 12-17.7-2-2~~: **IC 12-17.7-2-1**.

SECTION 60. IC 12-17.8-2-4, AS ADDED BY P.L.283-2001, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Subject to subsections (c) and (d), money in the state uninsured parents program fund at the end of a state fiscal year remains in the fund and does not revert to the state general fund.

(b) For each state fiscal year beginning July 1, 2002, the office of ~~the uninsured parents program established by IC 12-17.7-2-1~~ **Medicaid policy and planning established by IC 12-8-6-1** shall transfer from the state uninsured parents program fund an amount equal to the amount determined by multiplying thirty-five million dollars (\$35,000,000) by the federal medical assistance percentage for the state fiscal year. The transferred amount shall be used for Medicaid current obligations. The transfer may be made in a single payment or multiple

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payments throughout the state fiscal year.

(c) At the end of a state fiscal year, the office shall do the following:

- (1) Determine the sums on deposit in the state uninsured parents program fund.
- (2) Calculate a reasonable estimate of the sums to be transferred to the state uninsured parents program fund during the next state fiscal year, taking into consideration the timing of the transfers.
- (3) Calculate a reasonable estimate of the expenses to be paid by the program during the next state fiscal year, taking into consideration the likely number of enrollees in the program during the next state fiscal year.

(d) If the amount on deposit in the state uninsured parents program fund at the end of a state fiscal year, combined with the estimated amount of transfers of funds into the fund during the next state fiscal year, exceeds the estimate of the expenses to be paid by the program during the next state fiscal year, then a sum equal to the excess amount shall be transferred from the funds on deposit in the state uninsured parents program fund at the end of the state fiscal year to the Medicaid indigent care trust fund for purposes of IC 12-15-20-2(5)(D).

SECTION 61. IC 13-11-2-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) "Board", except as provided in subsections (b) through (j), refers to:

- (1) the air pollution control board;
- (2) the water pollution control board; or
- (3) the solid waste management board.

(b) "Board", for purposes of IC 13-13-6, refers to the northwest Indiana advisory board.

(c) "Board", for purposes of IC 13-17, refers to the air pollution control board.

(d) "Board", for purposes of IC 13-18, refers to the water pollution control board.

(e) "Board", for purposes of:

- (1) IC 13-19;
- (2) IC 13-20; ~~except IC 13-20-18;~~
- (3) IC 13-22;
- (4) IC 13-23, except IC 13-23-11;
- (5) IC 13-24; and
- (6) IC 13-25;

refers to the solid waste management board.

~~(f) "Board", for purposes of IC 13-20-18, refers to the board of managers of the Indiana institute on recycling.~~

~~(g)~~ (f) "Board", for purposes of IC 13-21, refers to the board of

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directors of a solid waste management district.

(h) "Board", for purposes of IC 13-23-11, refers to the underground storage tank financial assurance board.

(i) "Board", for purposes of IC 13-26, refers to the board of trustees of a regional water, sewage, or solid waste district.

(j) "Board", for purposes of IC 13-27 and IC 13-27.5, refers to the clean manufacturing technology board.

SECTION 62. IC 13-11-2-71 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 71. "Environmental management laws" refers to the following:

- (1) IC 13-12-2 and IC 13-12-3.
- (2) IC 13-13.
- (3) IC 13-14.
- (4) IC 13-15.
- (5) IC 13-16.
- (6) IC 13-17-3-15, IC 13-17-8-10, IC 13-17-10, and IC 13-17-11.
- (7) IC 13-18-12 and IC 13-18-15 through IC 13-18-20.
- (8) IC 13-19-1 and IC 13-19-4.
- (9) IC 13-20-1, IC 13-20-2, IC 13-20-4 through IC 13-20-15, and ~~IC 13-20-18~~ **IC 13-20-19** through IC 13-20-21.
- (10) IC 13-22.
- (11) IC 13-23.
- (12) IC 13-24.
- (13) IC 13-25-1 through IC 13-25-5.
- (14) IC 13-30, except IC 13-30-1.

SECTION 63. IC 13-11-2-110 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 110. ~~(a) "Institute", for purposes of IC 13-20-18, refers to the Indiana institute on recycling.~~

~~(b) "Institute", for purposes of IC 13-27 and IC 13-27.5, refers to the Indiana clean manufacturing technology and safe materials institute.~~

SECTION 64. IC 13-11-2-206, AS AMENDED BY P.L.218-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 206. "Solid waste disposal facility", for purposes of ~~IC 13-19-3-8~~, **IC 13-19-3-8.2**, IC 13-20-4, and IC 13-20-6, means a facility at which solid waste is:

- (1) deposited on or beneath the surface of the ground as an intended place of final location; or
- (2) incinerated.

SECTION 65. IC 13-11-2-212, AS AMENDED BY P.L.218-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 212. (a) "Solid waste processing facility", for purposes of ~~IC 13-19-3-8~~, **IC 13-19-3-8.2**, IC 13-20-4, and IC 13-20-6,



means a facility at which at least one (1) of the following is located:

- (1) A solid waste incinerator.
- (2) A transfer station.
- (3) A solid waste baler.
- (4) A solid waste shredder.
- (5) A resource recovery system.
- (6) A composting facility.
- (7) A garbage grinding system.

(b) The term does not include a facility or operation that generates solid waste.

SECTION 66. IC 13-23-8-6, AS AMENDED BY P.L.14-2001, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) If the balance in the excess liability trust fund is insufficient to pay:

- (1) claims under section 1 of this chapter;
- (2) necessary personnel and administrative expenses associated with the excess liability trust fund; and
- (3) the transfer repayment specified in IC 13-23-15-3 **before its expiration and repeal;**

the department shall cease paying claims.

(b) The department shall then notify each claimant that:

- (1) the department may not pay the claim; and
- (2) the claimant may not use the excess liability trust fund to satisfy any financial assurance requirements under federal law.

SECTION 67. IC 13-26-5-2.5, AS ADDED BY P.L.193-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) As used in this section, "septic tank soil absorption system" has the meaning set forth in IC 13-11-2-199.5.

(b) Subject to subsection (d) and except as provided in subsection (e), a property owner is exempt from the requirement to connect to a district's sewer system and to discontinue use of a septic tank soil absorption system if the following conditions are met:

- (1) The property owner's septic tank soil absorption system was installed not more than five (5) years before the district's sewer system's anticipated connection date.
- (2) The property owner's septic tank soil absorption system was new at the time of installation and was approved in writing by the local health department.
- (3) The property owner, at the property owner's own expense, obtains and provides to the district a certification from the local health department or the department's designee that the septic tank soil absorption system is functioning satisfactorily. If the

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local health department or the department's designee denies the issuance of a certificate to the property owner, the property owner may appeal the denial to the board of the local health department. The decision of the board is final and binding.

(4) The property owner provides the district with:

(A) the written notification of potential qualification for the exemption described in subsection (g); and

(B) the certification described in subdivision (3);

within the time limits set forth in subsection (g).

(c) If a property owner, within the time allowed under subsection (g), notifies a district in writing that the property owner qualifies for the exemption under this section, the district shall, until the property owner's eligibility for an exemption under this section is determined, suspend the requirement that the property owner discontinue use of a septic tank soil absorption system and connect to the district's sewer system.

(d) A property owner who qualifies for the exemption provided under this section may not be required to connect to the district's sewer system for a period of three (3) years beginning on ~~the date~~ the district's sewer system's anticipated connection date. If ownership of the property passes from the owner who qualified for the exemption to another person during the exemption period, the exemption does not apply to the subsequent owner of the property.

(e) The district may require a property owner who qualifies for the exemption under this section to discontinue use of a septic tank soil absorption system and connect to the district's sewer system if the district credits the unamortized portion of the original cost of the property owner's septic tank soil absorption system against the debt service portion of the customer's monthly bill. The amount that the district must credit under this subsection is determined in STEP TWO of the following formula:

STEP ONE: Multiply the original cost of the property owner's septic tank soil absorption system by a fraction, the numerator of which is ninety-six (96) months minus the age in months of the property owner's septic system, and the denominator of which is ninety-six (96) months.

STEP TWO: Determine the lesser of four thousand eight hundred dollars (\$4,800) or the result of STEP ONE.

The district shall apportion the total credit amount as determined in STEP TWO against the debt service portion of the property owner's monthly bill over a period to be determined by the district, but not to exceed twenty (20) years, or two hundred forty (240) months.



(f) A district that has filed plans with the department to create or expand a sewage district shall, within ten (10) days after filing the plans, provide written notice to affected property owners:

- (1) that the property owner may be required to discontinue the use of a septic tank soil absorption system;
- (2) that the property owner may qualify for an exemption from the requirement to discontinue the use of the septic tank soil absorption system; and
- (3) of the procedures to claim an exemption.

(g) To qualify for an exemption under this section, a property owner must:

- (1) within sixty (60) days after the date of the written notice given to the property owner under subsection (f), notify the district in writing that the property owner qualifies for the exemption under this section; and
- (2) within sixty (60) days after the district receives the written notice provided under subdivision (1), provide the district with the certification required under subsection (b)(3).

SECTION 68. IC 13-26-11-15, AS ADDED BY P.L.193-2001, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) A district authority is established in each regional sewage district established under ~~IC 13-26~~ **this article**.

(b) The district authority of a regional sewage district consists of the following:

- (1) In the case of a regional sewage district located in one (1) county:
 - (A) except as provided in clause (B), the county executive of that county; or
 - (B) if the members of the county executive are trustees of the regional sewage district, the members of the county fiscal body.
- (2) In the case of a regional sewage district located in more than one (1) county, one (1) county executive member, appointed by that member's county executive, from each county in which the district is located.

However, a person who serves on the board of trustees of a district may not be a member of the district authority.

(c) If a district adopts an ordinance increasing sewer rates and charges at a rate that is greater than five percent (5%) per year, as calculated from the rates and charges in effect from the date of the district's last rate increase before January 1, 2001, fifty (50) freeholders of the district or ten percent (10%) of the district's freeholders,



whichever is fewer, may file a written petition objecting to the rates and charges of the district. A petition filed under this subsection must:

- (1) contain the name and address of each petitioner;
- (2) be filed with a member of the district authority, in the county where at least one (1) petitioner resides, not later than thirty (30) days after the district adopts the ordinance establishing the rates and charges; and
- (3) set forth the grounds for the ~~freeholder's~~ **freeholders'** objection.

(d) If a petition meeting the requirements of subsection ~~(b)~~ (c) is filed, the district authority shall investigate and conduct a public hearing on the petition. If more than one (1) petition concerning a particular increase in rates and charges is filed, the district authority shall consider the objections set forth in all the petitions at the same public hearing.

(e) The district authority shall set the matter for public hearing not less than ten (10) business days but not later than twenty (20) business days after the petition has been filed. The district authority shall send notice of the hearing by certified mail to the district and the petitioner and publish the notice of the hearing in a newspaper of general circulation in each county in the district.

(f) Upon the date fixed in the notice, the district authority shall hear the evidence produced and determine whether the increased sewer rates and charges established by the board by ordinance are just and equitable rates and charges, according to the standards set forth in section 9 of this chapter. The district authority, by a majority vote, shall:

- (1) sustain the ordinance establishing the rates and charges;
- (2) sustain the petition; or
- (3) make any other ruling appropriate in the matter.

(g) The order of the district authority may be appealed by the district or a petitioner to the circuit court of the county in which the district is located. The court shall try the appeal without a jury and shall determine one (1) or both of the following:

- (1) Whether the board of trustees of the district, in adopting the ordinance increasing sewer rates and charges, followed the procedure required by this chapter.
- (2) Whether the increased sewer rates and charges established by the board by ordinance are just and equitable rates and charges, according to the standards set forth in section 9 of this chapter.

Either party may appeal the circuit court's decision in the same manner that other civil cases may be appealed.

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SECTION 69. IC 14-18-11-2, AS AMENDED BY P.L.53-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The terms and conditions upon which the rights-of-way are granted and conveyed by deed under this chapter must be submitted to and approved by:

- (1) the governor;
- (2) the attorney general; and
- (3) the Indiana department of administration;

before the a deed becomes operative or possession is taken under a deed.

SECTION 70. IC 14-22-12-1, AS AMENDED BY P.L.1-2001, SECTION 23, AND AS AMENDED BY P.L.188-2001, SECTION 3, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The department may issue the following licenses and, *except as provided in section 1.5 of this chapter and subject to subsection (b)*, shall charge the following *minimum* license fees to hunt, trap, or fish in Indiana:

- (1) A resident yearly license to fish, eight dollars and seventy-five cents (\$8.75).
- (2) A resident yearly license to hunt, eight dollars and seventy-five cents (\$8.75).
- (3) A resident yearly license to hunt and fish, thirteen dollars and seventy-five cents (\$13.75).
- (4) A resident yearly license to trap, eight dollars and seventy-five cents (\$8.75).
- (5) A nonresident yearly license to fish, twenty-four dollars and seventy-five cents (\$24.75).
- (6) A nonresident yearly license to hunt, sixty dollars and seventy-five cents (\$60.75).
- (7) A nonresident yearly license to trap, one hundred seventeen dollars and seventy-five cents (\$117.75). However, a license may not be issued to a resident of another state if that state does not give reciprocity rights to Indiana residents similar to those nonresident trapping privileges extended in Indiana.
- (8) A resident or nonresident license to fish, including for trout and salmon, for one (1) day only, four dollars and seventy-five cents (\$4.75).
- (9) A nonresident license to fish, excluding for trout and salmon, for seven (7) days only, twelve dollars and seventy-five cents (\$12.75).
- (10) A nonresident license to hunt for five (5) consecutive days only, twenty-five dollars and seventy-five cents (\$25.75).



- (11) A resident or nonresident yearly stamp to fish for trout and salmon, six dollars and seventy-five cents (\$6.75).
- (12) A resident yearly license to take a deer with a shotgun, muzzle loading gun, or handgun, thirteen dollars and seventy-five cents (\$13.75).
- (13) A resident yearly license to take a deer with a muzzle loading gun, thirteen dollars and seventy-five cents (\$13.75).
- (14) A resident yearly license to take a deer with a bow and arrow, thirteen dollars and seventy-five cents (\$13.75).
- (15) A nonresident yearly license to take a deer with a shotgun, muzzle loading gun, or handgun, one hundred twenty dollars and seventy-five cents (\$120.75).
- (16) A nonresident yearly license to take a deer with a muzzle loading gun, one hundred twenty dollars and seventy-five cents (\$120.75).
- (17) A nonresident yearly license to take a deer with a bow and arrow, one hundred twenty dollars and seventy-five cents (\$120.75).
- (18) A resident license to take an extra deer by a means, in a location, and under conditions established by rule adopted by the department under IC 4-22-2, thirteen dollars and seventy-five cents (\$13.75).
- (19) A nonresident license to take an extra deer by a means, in a location, and under conditions established by rule adopted by the department under IC 4-22-2, one hundred twenty dollars and seventy-five cents (\$120.75).
- (20) A resident yearly license to take a turkey, fourteen dollars and seventy-five cents (\$14.75).
- (21) A nonresident yearly license to take a turkey, one hundred fourteen dollars and seventy-five cents (\$114.75). However, if the state of residence of the nonresident applicant requires that before a resident of Indiana may take turkey in that state the resident of Indiana must also purchase another license in addition to a nonresident license to take turkey, the applicant must also purchase a nonresident yearly license to hunt under this section.
- (22) If a fall wild turkey season is established, a resident license to take an extra turkey by a means, in a location, and under conditions established by rule adopted by the department under IC 4-22-2, fourteen dollars and seventy-five cents (\$14.75).
- (23) If a fall wild turkey season is established, a nonresident license to take an extra turkey by a means, in a location, and under conditions established by rule adopted by the department

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under IC 4-22-2, one hundred fourteen dollars and seventy-five cents (\$114.75). However, if the state of residence of the nonresident applicant requires that before a resident of Indiana may take turkey in that state the resident of Indiana must also purchase another license in addition to a nonresident license to take turkey, the applicant must also purchase a nonresident yearly license to hunt under this section.

(24) A resident youth yearly consolidated license to hunt *and fish*, six dollars (\$6). This license is subject to the following:

(A) An applicant must be less than eighteen (18) years of age.

(B) The license is in lieu of the resident yearly license to hunt *and fish* and all other yearly licenses, stamps, or permits to hunt *and fish* for a specific species or by a specific means.

(b) *The commission may set license fees to hunt, trap, or fish above the minimum fees established under subsection (a).*

SECTION 71. IC 14-23-3-3, AS AMENDED BY P.L.198-2001, SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001 (RETROACTIVE)]: Sec. 3. Annually there shall be levied and collected as other state taxes are levied and collected the amount of twenty-two hundredths of one cent (\$0.0022) upon each one hundred dollars (\$100) worth of taxable property in Indiana. The money collected resulting from two hundred sixteen thousandths of one cent (\$0.00216) of the rate shall be paid into the fund. The money collected resulting from four ~~hundredths~~ **thousandths** of one cent (~~\$0.0004~~) (**\$0.00004**) is appropriated to the budget agency for purposes of department of local government finance data base management.

SECTION 72. IC 16-19-13-6, AS ADDED BY P.L.280-2001, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) As used in this section, "rape crisis center" means an organization that provides a full continuum of services, including hotlines, victim advocacy, and supportive services, from the onset of need for services through the completion of healing, to victims of sexual assault.

(b) The sexual assault victims assistance fund is established. The office shall administer the fund to provide financial assistance to rape crisis centers. Money in the fund must be distributed to a statewide nonprofit corporation whose primary purpose is pursuing the eradication of sexual violence in Indiana. The nonprofit corporation shall allocate money in the fund among the rape crisis centers. The fund consists of:

(1) amounts transferred to the fund ~~under~~ **from** sexual assault victims assistance fees collected under IC 33-19-6-21.

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- (2) any appropriations to the fund from other sources;
- (3) grants, gifts, and donations intended for deposit in the fund; and
- (4) interest that accrues from money in the fund.

(c) The expenses of administering the fund shall be paid from money in the fund. The office shall designate not more than ten percent (10%) of the appropriation made each year to the nonprofit corporation for program administration.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 73. IC 16-28-13-7, AS AMENDED BY P.L.108-1999, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. The application of this chapter to a health care facility or an entity in the business of contracting to provide nurse aides or other unlicensed employees for a health care facility is limited to an individual:

- (1) who is employed by:
 - (A) a health care facility; or
 - (B) IC an entity in the business of contracting to provide nurse aides or other unlicensed employees for a health care facility; and
- (2) whose employment or responsibilities are limited to activities primarily performed within a health care facility.

SECTION 74. IC 16-31-3-14.5, AS AMENDED BY P.L.17-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14.5. The commission may permanently revoke a license or certificate under procedures provided by section 14 of this chapter if the individual who holds the license or certificate issued under this title is convicted of any of the following:

- (1) Dealing **in** or manufacturing cocaine, a narcotic drug, or methamphetamine under IC 35-48-4-1.
- (2) Dealing in a schedule I, II, or III controlled substance under IC 35-48-4-2.
- (3) Dealing in a schedule IV controlled substance under IC 35-48-4-3.
- (4) Dealing in a schedule V controlled substance under IC 35-48-4-4.
- (5) Dealing in a substance represented to be a controlled substance under IC 35-48-4-4.5.



(6) Knowingly or intentionally manufacturing, advertising, distributing, or possessing with intent to manufacture, advertise, or distribute a substance represented to be a controlled substance under IC 35-48-4-4.6.

(7) Dealing in a counterfeit substance under IC 35-48-4-5.

(8) Dealing in marijuana, hash oil, or hashish under IC 35-48-4-10(b).

(9) Conspiracy under IC 35-41-5-2 to commit an offense listed in subdivisions (1) through (8).

(10) Attempt under IC 35-41-5-1 to commit an offense listed in subdivisions (1) through (8).

(11) A crime of violence (as defined in IC 35-50-1-2(a)).

(12) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described under subdivisions (1) through (11).

SECTION 75. IC 20-3.1-6-5, AS AMENDED BY P.L.100-2001, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. Each school in the school city shall measure and record:

(1) the school's students' achievement in reaching the school's student performance improvement levels established under IC 20-3.1-8;

(2) student achievement information for the school described in IC 20-1-21-9 and IC 20-1-21-9.5; and

(3) teacher and administrative performance information for the school described in IC 20-1-21-9.5;

which in each case must ~~be~~ not ~~be~~ less rigorous than the student performance improvement levels and information developed and required under IC 20-10.2-5.

SECTION 76. IC 20-3.1-15-1, AS AMENDED BY P.L.100-2001, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. To provide the board with the necessary flexibility and resources to carry out this article, the following apply:

(1) The board may eliminate or modify existing policies, ~~and~~ create new policies, and alter policies from time to time, subject to this article and the plan developed under IC 20-3.1-7.

(2) Beginning on July 1, 2001, IC 20-7.5 applies to the school city; however, the provision of IC 20-7.5-1-5(a) that requires any items included in the 1972-1973 agreements between an employer school corporation and an employee organization to continue to be bargainable does not apply to the school city.

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(3) The board of school commissioners may waive the following statutes and rules for any school in the school city without the need for administrative, regulatory, or legislative approval:

(A) The following rules concerning curriculum and instructional time:

511 IAC 6.1-3-4

511 IAC 6.1-5-0.5

511 IAC 6.1-5-1

511 IAC 6.1-5-2.5

511 IAC 6.1-5-3.5

511 IAC 6.1-5-4

(B) The following rules concerning pupil/teacher ratios:

511 IAC 6-2-1(b)(2)

511 IAC 6.1-4-1

(C) The following statutes and rules concerning textbooks, and rules adopted under the statutes:

IC 20-10.1-9-1

IC 20-10.1-9-18

IC 20-10.1-9-21

IC 20-10.1-9-23

IC 20-10.1-9-27

IC 20-10.1-10-1

IC 20-10.1-10-2

511 IAC 6.1-5-5

(D) The following rules concerning school principals:

511 IAC 6-2-1(c)(4)

511 IAC 6.1-4-2

(E) 511 IAC 2-2, concerning school construction and remodeling.

(4) Notwithstanding any other law, a school city may do the following:

(A) Lease school transportation equipment to others for nonschool use when the equipment is not in use for a school city purpose.

(B) Establish a professional development and technology fund to be used for:

(i) professional development; or

(ii) technology, including video distance learning.

(C) Transfer funds obtained from sources other than state or local government taxation among any account of the school corporation, including a professional development and technology fund established under clause (B).

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(5) Transfer funds obtained from property taxation among the general fund (established under IC 21-2-11) and the school transportation fund (established under IC 21-2-11.5), subject to the following:

(A) The sum of the property tax rates for the general fund and the school transportation fund after a transfer occurs under this subdivision may not exceed the sum of the property tax rates for the general fund and the school transportation fund before a transfer occurs under this clause.

(B) This clause does not allow a school corporation to transfer to any other fund money from the debt service fund (established under IC 21-2-4).

SECTION 77. IC 20-5-2-8, AS AMENDED BY P.L.197-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) This section applies to:

(1) a school corporation; and

(2) an entity:

(A) with which the school corporation contracts for services; and

(B) that has employees who are likely to have direct, ongoing contact with children within the scope of the employees' employment.

(b) A school corporation or entity may use information obtained under section 7 of this chapter concerning an individual's conviction for one (1) of the following offenses as grounds to not employ or contract with the individual:

(1) Murder (IC 35-42-1-1).

(2) Causing suicide (IC 35-42-1-2).

(3) Assisting suicide (IC 35-42-1-2.5).

(4) Voluntary manslaughter (IC 35-42-1-3).

(5) Reckless homicide (IC 35-42-1-5).

(6) Battery (IC 35-42-2-1) unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(7) Aggravated battery (IC 35-42-2-1.5).

(8) Kidnapping (IC 35-42-3-2).

(9) Criminal confinement (IC 35-42-3-3).

(10) A sex offense under IC 35-42-4.

(11) Carjacking (IC 35-42-5-2).

(12) Arson (IC 35-43-1-1) unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

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(13) Incest (IC 35-46-1-3).

(14) Neglect of a dependent as a Class B felony unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(15) Child selling (~~IC 35-46-1-4(c)~~): **(IC 35-46-1-4(d))**.

(16) Contributing to the delinquency of a minor (IC 35-46-1-8) unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(17) An offense involving a weapon under IC 35-47 unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(18) An offense relating to controlled substances under IC 35-48-4 unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(19) An offense relating to material or a performance that is harmful to minors or obscene under IC 35-49-3 unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(20) An offense relating to operating a motor vehicle while intoxicated under IC 9-30-5 unless five (5) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(21) An offense that is substantially equivalent to any of the offenses listed in this subsection in which the judgment of conviction was entered under the law of any other jurisdiction.

(c) An individual employed by a school corporation or an entity described in subsection (a) shall notify the governing body of the school corporation if during the course of the individual's employment the individual is convicted in Indiana or another jurisdiction of an offense described in subsection (b).

SECTION 78. IC 20-5.5-3-3.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 1, 2001 (RETROACTIVE)]: **Sec. 3.1. The organizer's constitution, charter, articles, or bylaws must contain a clause that provides that upon dissolution:**

- (1) all remaining assets, except funds specified in subsection**
- (2), shall be used for nonprofit educational purposes; and**
- (2) remaining funds received from the department shall be returned to the department not more than thirty (30) days**



after dissolution.

SECTION 79. IC 20-5.5-3-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 1, 2001 (RETROACTIVE)]: **Sec. 3.2. (a) An organizer may submit to the sponsor a proposal to establish a charter school.**

(b) A proposal must contain at least the following information:

- (1) Identification of the organizer.**
- (2) A description of the organizer's organizational structure and governance plan.**
- (3) The following information for the proposed charter school:**
 - (A) Name.**
 - (B) Purposes.**
 - (C) Governance structure.**
 - (D) Management structure.**
 - (E) Educational mission goals.**
 - (F) Curriculum and instructional methods.**
 - (G) Methods of pupil assessment.**
 - (H) Admission policy and criteria, subject to IC 20-5.5-5.**
 - (I) School calendar.**
 - (J) Age or grade range of pupils to be enrolled.**
 - (K) A description of staff responsibilities.**
 - (L) A description and the address of the physical plant.**
 - (M) Budget and financial plans.**
 - (N) Personnel plan, including methods for selection, retention, and compensation of employees.**
 - (O) Transportation plan.**
 - (P) Discipline program.**
 - (Q) Plan for compliance with any applicable desegregation order.**
 - (R) The date when the charter school is expected to:**
 - (i) begin school operations; and**
 - (ii) have students in attendance at the charter school.**
 - (S) The arrangement for providing teachers and other staff with health insurance, retirement benefits, liability insurance, and other benefits.**
- (4) The manner in which an annual audit of the program operations of the charter school is to be conducted by the sponsor.**

(c) This section does not waive, limit, or modify the provisions of:

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(1) **IC 20-7.5 in a charter school where the teachers have chosen to organize under IC 20-7.5; or**

(2) **an existing collective bargaining agreement for noncertificated employees (as defined in IC 20-7.5-1-2.).**

SECTION 80. IC 20-5.5-3-8, AS ADDED BY P.L.100-2001, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. A sponsor must notify an organizer who submits a proposal under section ~~3~~ **3.2** of this chapter of:

(1) the acceptance of the proposal; or

(2) the rejection of the proposal;

not later than sixty (60) days after the organizer submits the proposal.

SECTION 81. IC 20-5.5-3-11, AS ADDED BY P.L.100-2001, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) This section applies if the sponsor rejects a proposal.

(b) The organizer may appeal the decision of the sponsor to the charter school review panel created under subsection (c).

(c) The charter school review panel is created. The members of the panel are:

(1) the governor or ~~his~~ **the governor's** designee;

(2) the **state** superintendent of public instruction, who shall chair the panel;

(3) a member of the board appointed by the **state** superintendent of public instruction;

(4) a person with financial management experience appointed by the governor; and

(5) a community leader with knowledge of charter school issues appointed jointly by the governor and the **state** superintendent of public instruction.

Members shall serve a two (2) year term and may be reappointed to the panel upon expiration of their terms.

(d) All decisions of the panel shall be determined by a majority vote of the panel's members.

(e) Upon the request of an organizer, the panel shall meet to consider the organizer's proposal and the sponsor's reasons for rejecting the proposal. The panel must allow the organizer and sponsor to participate in the meeting.

(f) After the panel meets under subsection ~~(d)~~ **(e)**, the panel shall make one (1) of the following three (3) findings and issue the finding to the organizer and the sponsor:

(1) A finding that supports the sponsor's rejection of the proposal.

(2) A finding that:

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- (A) recommends that the organizer amend the proposal; and
- (B) specifies the changes to be made in the proposal if the organizer elects to amend the proposal.

(3) A finding that approves the proposal.

The panel shall issue the finding not later than forty-five (45) days after the panel receives the request for review.

(g) If the panel makes a finding described in subsection ~~(e)(1)~~ **(f)(1)**, the finding is final.

(h) If the panel makes a finding described in subsection ~~(e)(2)~~ **(f)(2)**, the organizer may amend the proposal according to the panel's recommendations and resubmit the proposal directly to the panel.

(i) If the panel makes a finding described in subsection ~~(e)(3)~~ **(f)(3)**, ~~then~~ the proposal is considered conditionally approved. The approval shall be considered final upon the delivery to the panel of written notice from the organizer and an eligible sponsor, as identified in ~~chapter 1, section 14 of this article, IC 20-5.5-1-15~~, that the sponsor has agreed to serve as a sponsor for the proposal approved by the panel.

(j) Proposals approved under this section shall not be counted under any numerical limits placed upon a sponsor or set of sponsors.

SECTION 82. IC 20-5.5-3-14, AS ADDED BY P.L.100-2001, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) This section applies to charter schools sponsored by the mayor of a consolidated city.

(b) The number of charter schools ~~shall~~ **may not be** not more than five (5) during the 2001 calendar year.

(c) **During** each ~~subsequent~~ year **after calendar year 2001**, the maximum number of charter schools ~~shall increase~~ **is greater** by five (5) **than the maximum number for the previous year.**

(d) The limits resulting from subsections (b) and (c) shall be cumulative from year to year.

SECTION 83. IC 20-5.5-3-15, AS ADDED BY P.L.100-2001, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. ~~No~~ **Neither an** entity ~~or~~ **nor** multiple divisions of the same entity may serve simultaneously as both the organizer and the sponsor of the same charter school.

SECTION 84. IC 20-5.5-7-4, AS ADDED BY P.L.100-2001, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Services that a school corporation provides to a charter school, including transportation, may be provided at not more than one hundred three percent (103%) of the actual cost of the services.

(b) This subsection applies to a sponsor that is a state educational

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institution described in ~~IC 20-5.5-1-14(1)(B)~~ **IC 20-5.5-1-15(1)(B)**. A state educational institution may receive from the organizer of a charter school sponsored by the state educational institution an administrative fee equal to not more than three percent (3%) of the total amount the governing body distributes under sections 3(b)(1) and 3(c) of this chapter.

SECTION 85. IC 20-8.1-6.1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) As used in this section, the following terms have the following meanings:

(1) "Class of school" refers to a classification of each school or program in the transferee corporation by the grades or special programs taught at the school. Generally, these classifications are denominated as kindergarten, elementary school, middle school or junior high school, high school, and special schools or classes, such as schools or classes for special education, vocational training, or career education.

(2) "ADM" means the following:

(A) For purposes of allocating to a transfer student state distributions under IC 21-1-30 (primetime), "ADM" as computed under IC 21-1-30-2.

(B) For all other purposes, "ADM" as set forth in IC 21-3-1.6-1.1.

(3) "Pupil enrollment" means the following:

(A) The total number of students in kindergarten through grade 12 who are enrolled in a transferee school corporation on a date determined by the Indiana state board of education.

(B) The total number of students enrolled in a class of school in a transferee school corporation on a date determined by the Indiana state board of education.

However, a kindergarten student shall be counted under clauses (A) and (B) as one-half ($\frac{1}{2}$) a student.

(4) "Special equipment" means equipment that during a school year:

(A) is used only when a child with disabilities is attending school;

(B) is not used to transport a child to or from a place where the child is attending school;

(C) is necessary for the education of each child with disabilities that uses the equipment, as determined under the individualized instruction program for the child; and

(D) is not used for or by any child who is not a child with disabilities.



The Indiana state board of education may select a different date for counts under subdivision (3). However, the same date shall be used for all school corporations making a count for the same class of school.

(b) Each transferee corporation is entitled to receive for each school year on account of each transferred student, except a student transferred under section 3 of this chapter, transfer tuition from the transferor corporation or the state as provided in this chapter. Transfer tuition equals the amount determined under STEP THREE of the following formula:

STEP ONE: Allocate to each transfer student the capital expenditures for any special equipment used by the transfer student and a proportionate share of the operating costs incurred by the transferee school for the class of school where the transfer student is enrolled.

STEP TWO: If the transferee school included the transfer student in the transferee school's ADM for a school year, allocate to the transfer student a proportionate share of the following general fund revenues of the transferee school for, except as provided in clause (C), the calendar year in which the school year ends:

(A) The following state distributions that are computed in any part using ADM or other pupil count in which the student is included:

- (i) Primetime grant under IC 21-1-30.
- (ii) Tuition support for basic programs and at-risk weights under IC 21-3-1.7-8 (before January 1, 1996) and only for basic programs (after December 31, 1995).
- (iii) Enrollment growth grant under IC 21-3-1.7-9.5.
- (iv) At-risk grant under IC 21-3-1.7-9.7.
- (v) Academic honors diploma award under IC 21-3-1.7-9.8.
- (vi) Vocational education grant under IC 21-3-1.8-3.
- ~~(vii) Special education grant under IC 21-3-1.8 (repealed January 1, 1996) or IC 21-3-10.~~
- ~~(viii)~~ (vii) The portion of the ADA flat grant that is available for the payment of general operating expenses under IC 21-3-4.5-2(b)(1).

(B) For school years beginning after June 30, 1997, property tax levies.

(C) For school years beginning after June 30, 1997, excise tax revenue (as defined in IC 21-3-1.7-2) received for deposit in the calendar year in which the school year begins.

(D) For school years beginning after June 30, 1997, allocations to the transferee school under IC 6-3.5.



STEP THREE: Determine the greater of:

- (A) zero (0); or
- (B) the result of subtracting the STEP TWO amount from the STEP ONE amount.

If a child is placed in an institution or facility in Indiana under a court order, the institution or facility shall charge the county office of the county of the student's legal settlement under IC 12-19-7 for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per student cost.

(c) Operating costs shall be determined for each class of school where a transfer student is enrolled. The operating cost for each class of school is based on the total expenditures of the transferee corporation for the class of school from its general fund expenditures as specified in the classified budget forms prescribed by the state board of accounts. This calculation excludes:

- (1) capital outlay;
- (2) debt service;
- (3) costs of transportation;
- (4) salaries of board members;
- (5) contracted service for legal expenses; and
- (6) any expenditure which is made out of the general fund from extracurricular account receipts;

for the school year.

(d) The capital cost of special equipment for a school year is equal to:

- (1) the cost of the special equipment; divided by
- (2) the product of:
 - (A) the useful life of the special equipment, as determined under the rules adopted by the Indiana state board of education; multiplied by
 - (B) the number of students using the special equipment during at least part of the school year.

(e) When an item of expense or cost described in subsection (c) cannot be allocated to a class of school, it shall be prorated to all classes of schools on the basis of the pupil enrollment of each class in the transferee corporation compared to the total pupil enrollment in the school corporation.

(f) Operating costs shall be allocated to a transfer student for each school year by dividing:

- (1) the transferee school corporation's operating costs for the class of school in which the transfer student is enrolled; by



- (2) the pupil enrollment of the class of school in which the transfer student is enrolled.

When a transferred student is enrolled in a transferee corporation for less than the full school year of pupil attendance, the transfer tuition shall be calculated by the portion of the school year for which the transferred student is enrolled. A school year of pupil attendance consists of the number of days school is in session for pupil attendance. A student, regardless of the student's attendance, is enrolled in a transferee school unless the student is no longer entitled to be transferred because of a change of residence, the student has been excluded or expelled from school for the balance of the school year or for an indefinite period, or the student has been confirmed to have withdrawn from school. The transferor and the transferee corporation may enter into written agreements concerning the amount of transfer tuition due in any school year. Where an agreement cannot be reached, the amount shall be determined by the Indiana state board of education, and costs may be established, when in dispute, by the state board of accounts.

(g) A transferee school shall allocate revenues described in subsection (b) STEP TWO to a transfer student by dividing:

- (1) the total amount of revenues received; by
- (2) the ADM of the transferee school for the school year that ends in the calendar year in which the revenues are received.

However, for state distributions under IC 21-1-30 ~~IC 21-3-10~~, or any other statute that computes the amount of a state distribution using less than the total ADM of the transferee school, the transferee school shall allocate the revenues to the transfer student by dividing the revenues that the transferee school is eligible to receive in a calendar year by the pupil count used to compute the state distribution.

(h) In lieu of the payments provided in subsection (b), the transferor corporation or state owing transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. This contract is for a maximum period of five (5) years with an option to renew, and may specify a maximum number of pupils to be transferred and fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that provided in section 9 of this chapter.

(i) If the school corporation can meet the requirements of IC 21-1-30-5, it may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may be for one (1) year or longer and may fix a method for determining the amount of transfer

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tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 9 of this chapter. A school corporation may not transfer a student under this section without the prior approval of the child's parent or guardian.

(j) If a school corporation experiences a net financial impact with regard to transfer tuition that is negative for a particular school year as described in IC 6-1.1-19-5.1, the school corporation may appeal for an excessive levy as provided under IC 6-1.1-19-5.1.

SECTION 86. IC 20-9.1-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Employment Contracts. If a school corporation owns in its entirety the school bus equipment, the school corporation may employ school bus drivers in the same manner as other non-instructional employees are employed, on a school year basis; however, each employment contract shall be in writing. School corporations hiring employees under this section shall purchase and carry public liability and property damage insurance covering the operation of school bus equipment in compliance with ~~IC 1971, 27-7-4.~~ **IC 9-25.** The provisions of sections 4 through 28 of this chapter shall not apply to the employment of school bus drivers who are hired under this section.

SECTION 87. IC 21-3-1.7-9, AS AMENDED BY P.L.291-2001, SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Subject to the amount appropriated by the general assembly for tuition support, the amount that a school corporation is entitled to receive in tuition support for a year is the amount determined in section 8 of this chapter.

(b) If the total amount to be distributed as tuition support under this chapter, for enrollment adjustment grants under section 9.5 of this chapter, for at-risk programs under section 9.7 of this chapter, for academic honors diploma awards under section 9.8 of this chapter, **and** for primetime distributions under IC 21-1-30 **and as special and vocational education grants under IC 21-3-1.8-3 or IC 21-3-10** for a particular year, exceeds:

- (1) three billion three hundred sixty-three million four hundred thousand dollars (\$3,363,400,000) in 2001;
- (2) three billion four hundred seventy-one million one hundred thousand dollars (\$3,471,100,000) in 2002; and
- (3) three billion five hundred ninety-four million two hundred thousand dollars (\$3,594,200,000) in 2003;

the amount to be distributed for tuition support under this chapter to each school corporation during each of the last six (6) months of the year shall be reduced by the same dollar amount per ADM (as adjusted

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by IC 21-3-1.6-1.1) so that the total reductions equal the amount of the excess.

SECTION 88. IC 21-6.1-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The board shall invest its assets with the care, skill, prudence, and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims. The board shall also diversify such investments in accordance with prudent investment standards.

(b) The board may:

- (1) make or have made investigations concerning investments; and
- (2) contract for and employ investment counsel to advise and assist in the purchase and sale of securities. ~~subject to IC 5-10.2-2-15.~~

(c) The board is not subject to IC 4-13, IC 4-13.6, or IC 5-16 when managing real property as an investment. Any management agreements entered into by the board must ensure that the management agent acts in a prudent manner with regard to the purchase of goods and services. Contracts for the management of investment property shall be submitted to the governor, the attorney general, and the budget agency for approval. A contract for the management of real property as an investment:

- (1) may not exceed a four (4) year term and must be based upon guidelines established by the board;
- (2) may provide that the property manager may collect rent and make disbursements for routine operating expenses such as utilities, cleaning, maintenance, and minor tenant finish needs;
- (3) shall establish, consistent with the board's duty under IC 30-4-3-3(c), guidelines for the prudent management of expenditures related to routine operation and capital improvements; and
- (4) may provide specific guidelines for the board to purchase new properties, contract for the construction or repair of properties, and lease or sell properties without individual transactions requiring the approval of the governor, the attorney general, the Indiana department of administration, and the budget agency. However, each individual contract involving the purchase or sale of real property is subject to review and approval by the attorney general at the specific request of the attorney general.

(d) Whenever the board takes bids in managing or selling real property, the board shall require a bid submitted by a trust (as defined

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in IC 30-4-1-1(a)) to identify all of the following:

- (1) Each beneficiary of the trust.
- (2) Each settlor empowered to revoke or modify the trust.

SECTION 89. IC 22-4-11-3.3, AS ADDED BY P.L.290-2001, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: Sec. 3.3. (a) For calendar years 2002 through 2004, if the conditions of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a credit balance and who are eligible therefore according to each employer's credit reserve ratio. Except as provided in section 3.2(b) of this chapter, **each** employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, D, or E on the line opposite the employer's credit reserve ratio as set forth in the rate schedule below:

RATE SCHEDULE FOR ACCOUNTS
WITH CREDIT BALANCES

When the Credit Reserve Ratio Is:

As Much	But Less Than	Rate Schedules (%)				
As	Than	A	B	C	D	E
3.00		1.10	0.10	0.10	0.10	0.15
2.80	3.00	1.30	0.30	0.10	0.10	0.15
2.60	2.80	1.50	0.50	0.10	0.10	0.15
2.40	2.60	1.70	0.70	0.30	0.10	0.20
2.20	2.40	1.90	0.90	0.50	0.10	0.20
2.00	2.20	2.10	1.10	0.70	0.30	0.40
1.80	2.00	2.30	1.30	0.90	0.50	0.60
1.60	1.80	2.50	1.50	1.10	0.70	0.80
1.40	1.60	2.70	1.70	1.30	0.90	1.00
1.20	1.40	2.90	1.90	1.50	1.10	1.20
1.00	1.20	3.10	2.10	1.70	1.30	1.40
0.80	1.00	3.30	2.30	1.90	1.50	1.60
0.60	0.80	3.50	2.50	2.10	1.70	1.80
0.40	0.60	3.70	2.70	2.30	1.90	2.00
0.20	0.40	3.90	2.90	2.50	2.10	2.20
0.00	0.20	4.10	3.10	2.70	2.30	2.40

(b) For calendar years 2002 through 2004, if the conditions of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a debit balance and who are eligible therefore according to each employer's debit reserve ratio. Each



employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, D, or E on the line opposite the employer's debit reserve ratio as set forth in the rate schedule below:

**RATE SCHEDULE FOR ACCOUNTS
WITH DEBIT BALANCES**

When the Debit Reserve Ratio Is:

As Much	But Less	Rate Schedules (%)				
As	Than	A	B	C	D	E
	1.50	4.40	4.30	4.20	4.10	5.40
1.50	3.00	4.70	4.60	4.50	4.40	5.40
3.00	4.50	5.00	4.90	4.70	4.70	5.40
4.50	6.00	5.30	5.20	5.10	5.00	5.40
6.00		5.60	5.50	5.40	5.40	5.40

SECTION 90. IC 22-4-11-4, AS AMENDED BY P.L.18-2001, SECTION 1, AND AS AMENDED BY P.L.290-2001, SECTION 5, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) If the commissioner finds that any employer has failed to file any payroll report or has filed a report which the commissioner finds incorrect or insufficient, the commissioner shall make an estimate of the information required from the employer on the basis of the best evidence reasonably available to the commissioner at the time and notify the employer thereof by mail addressed to the employer's last known address. Except as provided in subsection (b), unless the employer files the report or a corrected or sufficient report, as the case may be, within fifteen (15) days after the mailing of the notice, the commissioner shall compute the employer's rate of contribution on the basis of the estimates, and the rate determined in this manner shall be subject to increase but not to reduction on the basis of subsequently ascertained information. *The estimated amount of contribution is considered prima facie correct.*

(b) The commissioner may adjust the amount of contribution estimated in this manner on the basis of information ascertained after the expiration of the notice period if the employer or other interested party:

- (1) makes an affirmative showing of all facts alleged as a reasonable cause for the failure to timely file any payroll report; and
- (2) submits accurate and reliable payroll reports.

SECTION 91. IC 22-4-18.3-6, AS ADDED BY P.L.290-2001, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The board shall make recommendations



to the unemployment insurance board for disbursements of funds from the skills 2016 training fund established by ~~IC 22-4-24.5-2~~. **IC 22-4-24.5-1.** The unemployment insurance board may either approve or reject, but not modify, such a recommendation.

(b) If the unemployment insurance board approves a disbursement recommended by the board, the department of workforce development shall so disburse the funds.

(c) If the unemployment insurance board rejects a recommendation of the board, the unemployment insurance board may return the recommendation to the board and may include a written statement explaining the reasons for the rejection.

SECTION 92. IC 22-4-24.5-1, AS ADDED BY P.L.290-2001, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The skills 2016 training fund is established to do the following:

- (1) Administer the costs of the skills 2016 training program established by IC 22-4-10.5.
- (2) Undertake any program or activity that furthers the purposes of IC 22-4-10.5.
- (3) Refund skills 2016 training assessments erroneously collected and deposited in the fund.

(b) Subject to subsection (j), fifty-five percent (55%) of the money in the fund shall be allocated to the state educational institution established under IC 20-12-61. The money so allocated to that state educational institution shall be used as follows:

- (1) An amount to be determined annually shall be allocated to the state educational institution established under IC 20-12-61 for its costs in administering the training programs described in subsection (b). However, the amount so allocated may not exceed fifteen percent (15%) of the total amount of money allocated under this subsection.
- (2) After the allocation made under subdivision (1), forty percent (40%) shall be used to provide training to participants in joint labor and management building trades apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training.
- (3) After the allocation made under subdivision (1), forty percent (40%) shall be used to provide training to participants in joint labor and management industrial apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training.
- (4) After the allocation made under subdivision (1), twenty



percent (20%) shall be used to provide training to industrial employees not covered by subdivision (2).

(c) Subject to subsection (j), the remainder of the money in the fund shall be allocated as follows:

(1) An amount not to exceed one million dollars (\$1,000,000) shall be allocated to the department of workforce development annually for technology needs of the department.

(2) An amount not to exceed four hundred fifty thousand dollars (\$450,000) shall be allocated annually for training and counseling assistance under IC 22-4-14-2 provided by state educational institutions (as defined in IC 20-12-0.5-1) or counseling provided by the department of workforce development for individuals who:

(A) have been unemployed for at least four (4) weeks;

(B) are not otherwise eligible for training and counseling assistance under any other program; and

(C) are not participating in programs that duplicate those programs described in IC 22-4-25-1(e).

Training or counseling provided under IC 22-4-14-2 does not excuse the claimant from complying with the requirements of IC 22-4-14-3. Eligibility for training and counseling assistance under this subdivision shall not be determined until after the fourth week of eligibility for unemployment training compensation benefits.

(3) An amount to be determined annually shall be set aside for the payment of refunds from the fund.

(4) The remainder of the money in the fund after the allocations provided for in subsection (b) and subdivisions (1) through (3) shall be allocated to other incumbent worker training programs.

(d) The fund shall be administered by the board. However, all disbursements from the fund must be recommended by the incumbent workers training board and approved by the board as required by IC 22-4-18.3-6.

(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(g) The fund consists of the following:

(1) Assessments deposited in the fund.

(2) Earnings acquired through the use of money belonging to the fund.



- (3) Money received from the fund from any other source.
- (4) Interest earned from money in the fund.
- (5) Interest and penalties collected.
- (h) All money deposited or paid into the fund is appropriated annually for disbursements authorized by this section.
- (i) Any balance in the fund does not lapse but is available continuously to the department for expenditures consistent with this chapter.
- (j) If the fund ratio (as described in IC 22-4-11-3) is less than or equal to 1.5 or if the board determines that the solvency of the unemployment insurance benefit fund established ~~in IC 22-4-16-1~~ by **IC 22-4-26-1** is threatened, the funds assessed for or deposited in the skills 2016 training fund shall be directed or transferred to the unemployment insurance benefit fund.

SECTION 93. IC 22-4-32-23, AS AMENDED BY P.L.290-2001, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. (a) As used in this section:

- (1) "Dissolution" refers to dissolution of a corporation under IC 23-1-45 through IC 23-1-48.
- (2) "Liquidation" means the operation or act of winding up a corporation's affairs, when normal business activities have ceased, by settling its debts and realizing upon and distributing its assets.
- (3) "Withdrawal" refers to the withdrawal of a foreign corporation from Indiana under IC 23-1-50.
- (b) The officers and directors of a corporation effecting dissolution, liquidation, or withdrawal shall do the following:
 - (1) File all necessary documents with the department in a timely manner as required by this article.
 - (2) Make all payments of contributions and skills 2016 training assessments under ~~IC 22-4-10.5-2~~ **IC 22-4-10.5** to the department in a timely manner as required by this article.
 - (3) File with the department a form of notification within thirty (30) days of the adoption of a resolution or plan. The form of notification shall be prescribed by the department and may require information concerning:
 - (A) the corporation's assets;
 - (B) the corporation's liabilities;
 - (C) details of the plan or resolution;
 - (D) the names and addresses of corporate officers, directors, and shareholders;
 - (E) a copy of the minutes of the shareholders' meeting at which the plan or resolution was formally adopted; and



(F) such other information as the board may require.

The commissioner may accept, in lieu of the department's form of notification, a copy of Form 966 that the corporation filed with the Internal Revenue Service.

(c) Unless a clearance is issued under subsection (g), for a period of one (1) year following the filing of the form of notification with the department, the corporate officers and directors remain personally liable, subject to IC 23-1-35-1(e), for any acts or omissions that result in the distribution of corporate assets in violation of the interests of the state. An officer or director held liable for an unlawful distribution under this subsection is entitled to contribution:

- (1) from every other director who voted for or assented to the distribution, subject to IC 23-1-35-1(e); and
- (2) from each shareholder for the amount the shareholder accepted.

(d) The corporation's officers' and directors' personal liability includes all contributions, skills 2016 training assessments, penalties, interest, and fees associated with the collection of the liability due the department. In addition to the penalties provided elsewhere in this article, a penalty of up to thirty percent (30%) of the unpaid contributions and skills 2016 training assessments may be imposed on the corporate officers and directors for failure to take reasonable steps to set aside corporate assets to meet the liability due the department.

(e) If the department fails to begin a collection action against a corporate officer or director within one (1) year after the filing of a completed form of notification with the department, the personal liability of the corporate officer or director expires. The filing of a substantially blank form of notification or a form containing misrepresentation of material facts does not constitute filing a form of notification for the purpose of determining the period of personal liability of the officers and directors of the corporation.

(f) In addition to the remedies contained in this section, the department is entitled to pursue corporate assets that have been distributed to shareholders in violation of the interests of the state. The election to pursue one (1) remedy does not foreclose the state's option to pursue other legal remedies.

(g) The department may issue a clearance to a corporation effecting dissolution, liquidation, or withdrawal if:

- (1) the officers and directors of the corporation have met the requirements of subsection (b); and
- (2) request for the clearance is made in writing by the officers and directors of the corporation within thirty (30) days after the filing

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of the form of notification with the department.

(h) The issuance of a clearance by the department under subsection (g) releases the officers and directors from personal liability under this section.

SECTION 94. IC 25-1-1.1-3, AS AMENDED BY P.L.17-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A board, a commission, or a committee shall revoke or suspend a license or certificate issued under this title by the board, the commission, or the committee if the individual who holds the license or certificate is convicted of any of the following:

- (1) Dealing **in** or manufacturing cocaine, a narcotic drug, or methamphetamine under IC 35-48-4-1.
- (2) Dealing in a schedule I, II, or III controlled substance under IC 35-48-4-2.
- (3) Dealing in a schedule IV controlled substance under IC 35-48-4-3.
- (4) Dealing in a schedule V controlled substance under IC 35-48-4-4.
- (5) Dealing in a substance represented to be a controlled substance under IC 35-48-4-4.5.
- (6) Knowingly or intentionally manufacturing, advertising, distributing, or possessing with intent to manufacture, advertise, or distribute a substance represented to be a controlled substance under IC 35-48-4-4.6.
- (7) Dealing in a counterfeit substance under IC 35-48-4-5.
- (8) Dealing in marijuana, hash oil, or hashish under IC 35-48-4-10(b).
- (9) Conspiracy under IC 35-41-5-2 to commit an offense listed in subdivisions (1) through (8).
- (10) Attempt under IC 35-41-5-1 to commit an offense listed in subdivisions (1) through (8).
- (11) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described under subdivisions (1) through (10).
- (12) A violation of any federal or state drug law or rule related to wholesale legend drug distributors licensed under IC 25-26-14.

SECTION 95. IC 25-1-6-5.5, AS ADDED BY P.L.227-2001, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.5. (a) A person who has a license renewal denied by a board listed in section ~~3-2~~ **3** of this chapter may file an appeal of the denial with the executive director of the licensing agency.

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(b) IC 4-21.5-3-29 and IC 4-21.5-3-30 govern the executive director's review of an appeal filed under subsection (a).

SECTION 96. IC 25-1-9-4, AS AMENDED BY P.L.200-2001, SECTION 2, AND AS AMENDED BY P.L.203-2001, SECTION 3, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A practitioner shall conduct the practitioner's practice in accordance with the standards established by the board regulating the profession in question and is subject to the exercise of the disciplinary sanctions under section 9 of this chapter if, after a hearing, the board finds:

- (1) a practitioner has:
 - (A) engaged in or knowingly cooperated in fraud or material deception in order to obtain a license to practice;
 - (B) engaged in fraud or material deception in the course of professional services or activities; or
 - (C) advertised services in a false or misleading manner;
- (2) a practitioner has been convicted of a crime that has a direct bearing on the practitioner's ability to continue to practice competently;
- (3) a practitioner has knowingly violated any state statute or rule, or federal statute or regulation, regulating the profession in question;
- (4) a practitioner has continued to practice although the practitioner has become unfit to practice due to:
 - (A) professional incompetence that:
 - (i) may include the undertaking of professional activities that the practitioner is not qualified by training or experience to undertake; and
 - (ii) does not include activities performed under IC 16-21-2-9;
 - (B) failure to keep abreast of current professional theory or practice;
 - (C) physical or mental disability; or
 - (D) addiction to, abuse of, or severe dependency upon alcohol or other drugs that endanger the public by impairing a practitioner's ability to practice safely;
- (5) a practitioner has engaged in a course of lewd or immoral conduct in connection with the delivery of services to the public;
- (6) a practitioner has allowed the practitioner's name or a license issued under this chapter to be used in connection with an individual who renders services beyond the scope of that individual's training, experience, or competence;

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(7) a practitioner has had disciplinary action taken against the practitioner or the practitioner's license to practice in any other state or jurisdiction on grounds similar to those under this chapter;

(8) a practitioner has diverted:

(A) a legend drug (as defined in IC 16-18-2-199); or

(B) any other drug or device issued under a drug order (as defined in IC 16-42-19-3) for another person;

(9) a practitioner, except as otherwise provided by law, has knowingly prescribed, sold, or administered any drug classified as a narcotic, addicting, or dangerous drug to a habitue or addict;

(10) a practitioner has failed to comply with an order imposing a sanction under section 9 of this chapter; ~~or~~

(11) a practitioner has engaged in sexual contact with a patient under the practitioner's care or has used the practitioner-patient relationship to solicit sexual contact with a patient under the practitioner's care; or

~~(11)~~ **(12)** *a practitioner who is a participating provider of a health maintenance organization has knowingly collected or attempted to collect from a subscriber or enrollee of the health maintenance organization any sums that are owed by the health maintenance organization.*

(b) A practitioner who provides health care services to the practitioner's spouse is not subject to disciplinary action under subsection (a)(11).

(c) A certified copy of the record of disciplinary action is conclusive evidence of the other jurisdiction's disciplinary action under subsection (a)(7).

SECTION 97. IC 25-26-13-2, AS AMENDED BY P.L.270-2001, SECTION 2, AND AS AMENDED BY P.L.288-2001, SECTION 1, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter:

"Board" means the Indiana board of pharmacy.

"Controlled drugs" are those drugs on schedules I through V of the Federal Controlled Substances Act or on schedules I through V of IC 35-48-2.

"Counseling" means effective communication between a pharmacist and a patient concerning the contents, drug to drug interactions, route, dosage, form, directions for use, precautions, and effective use of a drug or device to improve the therapeutic outcome of the patient through the effective use of the drug or device.

"Dispensing" means issuing one (1) or more doses of a drug in a

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suitable container with appropriate labeling for subsequent administration to or use by a patient.

"Drug" means:

- (1) articles or substances recognized in the official United States Pharmacopoeia, official National Formulary, official Homeopathic Pharmacopoeia of the United States, or any supplement to any of them;
- (2) articles or substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or animals;
- (3) articles other than food intended to affect the structure or any function of the body of man or animals; or
- (4) articles intended for use as a component of any article specified in subdivisions (1) through (3) and devices.

"Drug order" means a written order in a hospital or other health care institution for an ultimate user for any drug or device, issued and signed by a practitioner, or an order transmitted by other means of communication from a practitioner, which is immediately reduced to writing by the pharmacist, registered nurse, or other licensed health care practitioner authorized by the hospital or institution. The order shall contain the name and bed number of the patient; the name and strength or size of the drug or device; unless specified by individual institution policy or guideline, the amount to be dispensed either in quantity or days; adequate directions for the proper use of the drug or device when it is administered to the patient; and the name of the prescriber.

"Drug regimen review" means the retrospective, concurrent, and prospective review by a pharmacist of a patient's drug related history that includes the following areas:

- (1) Evaluation of prescriptions or drug orders and patient records for drug allergies, rational therapy contradictions, appropriate dose and route of administration, appropriate directions for use, or duplicative therapies.
- (2) Evaluation of prescriptions or drug orders and patient records for drug-drug, drug-food, drug-disease, and drug-clinical laboratory interactions.
- (3) Evaluation of prescriptions or drug orders and patient records for adverse drug reactions.
- (4) Evaluation of prescriptions or drug orders and patient records for proper utilization and optimal therapeutic outcomes.

"Drug utilization review" means a program designed to measure and assess on a retrospective and prospective basis the proper use of drugs.

"Device" means an instrument, apparatus, implement, machine,

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contrivance, implant, ~~invitro~~ *in vitro* reagent, or other similar or related article including any component part or accessory, which is:

- (1) recognized in the official United States Pharmacopoeia, official National Formulary, or any supplement to them;
- (2) intended for use in the diagnosis of disease or other conditions or the cure, mitigation, treatment, or prevention of disease in man or other animals; or
- (3) intended to affect the structure or any function of the body of man or other animals and which does not achieve any of its principal intended ~~purpose~~ *purposes* through chemical action within or on the body of man or other animals and which is not dependent upon being metabolized for the achievement of any of its principal intended purposes.

"Investigational or new drug" means any drug which is limited by state or federal law to use under professional supervision of a practitioner authorized by law to prescribe or administer such drug.

"Legend drug" has the meaning set forth in IC 16-18-2-199.

"License" and "permit" are interchangeable and mean a written certificate from the Indiana board of pharmacy for the practice of pharmacy or the operation of a pharmacy.

"Nonprescription drug" means a drug that may be sold without a prescription and that is labeled for use by a patient in accordance with state and federal laws.

"Person" means any individual, partnership, copartnership, firm, company, corporation, association, joint stock company, trust, estate, or municipality, or a legal representative or agent, unless this chapter expressly provides otherwise.

"Practitioner" *means a physician licensed under IC 25-22-5, a veterinarian licensed under IC 15-5-1-1, a dentist licensed under IC 25-14, a podiatrist licensed under IC 25-29, or any other person licensed by law to prescribe and administer legend drugs in this state: has the meaning set forth in IC 16-42-19-5.*

"Pharmacist" means a person licensed under this chapter.

"Pharmacist extern" means a pharmacy student enrolled full-time in an approved school of pharmacy and who is working in a school sponsored, board approved program related to the practice of pharmacy.

"Pharmacist intern" means a person who is working to secure additional hours of practice and experience prior to making application for a license to practice as a pharmacist.

"Pharmacy" means any facility, department, or other place where prescriptions are filled or compounded and are sold, dispensed, offered,

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or displayed for sale and which has as its principal purpose the dispensing of drug and health supplies intended for the general health, welfare, and safety of the public, without placing any other activity on a more important level than the practice of pharmacy.

"The practice of pharmacy" or "the practice of the profession of pharmacy" means a patient oriented health care profession in which pharmacists interact with and counsel patients and with other health care professionals concerning drugs and devices used to enhance patients' wellness, prevent illness, and optimize the outcome of a drug or device, by accepting responsibility for performing or supervising a pharmacist intern, a pharmacist extern, or an unlicensed person under section 18(a)(4) of this chapter to do the following acts, services, and operations:

- (1) The offering of or performing of those acts, service operations, or transactions incidental to the interpretation, evaluation, and implementation of prescriptions or drug orders.
- (2) The compounding, labeling, administering, dispensing, or selling of drugs and devices, including radioactive substances, whether dispensed under a practitioner's prescription or drug order, or sold or given directly to the ultimate consumer.
- (3) The proper and safe storage and distribution of drugs and devices.
- (4) The maintenance of proper records of the receipt, storage, sale, and dispensing of drugs and devices.
- (5) Counseling, advising, and educating patients, patients' caregivers, and health care providers and professionals, as necessary, as to the contents, therapeutic values, uses, significant problems, risks, and appropriate manner of use of drugs and devices.
- (6) Assessing, recording, and reporting events related to the use of drugs or devices.
- (7) Provision of the professional acts, professional decisions, and professional services necessary to maintain all areas of a patient's pharmacy related care as specifically authorized to a pharmacist under this article.

"Prescription" means a written order or an order transmitted by other means of communication from a practitioner to or for an ultimate user for any drug or device containing the name and address of the patient, the name and strength or size of the drug or device, the amount to be dispensed, adequate directions for the proper use of the drug or device by the patient, and the name of the practitioner issued and, if the prescription is in written form, signed by a practitioner.



"Prescription" means a written order or an order transmitted by other means of communication from a practitioner to or for an ultimate user for any drug or device containing:

- (1) the name and address of the patient;
- (2) *the date of issue;*
- (3) the name and strength or size (*if applicable*) of the drug or device;
- (4) the amount to be dispensed (*unless indicated by directions and duration of therapy*);
- (5) adequate directions for the proper use of the drug or device by the patient; ~~and~~
- (6) the name of the practitioner; ~~issued~~ and
- (7) *the signature of the practitioner* if the prescription is in written form. ~~signed by a practitioner.~~

"Qualifying pharmacist" means the pharmacist who will qualify the pharmacy by being responsible to the board for the legal operations of the pharmacy under the permit.

"Record" means all papers, letters, memoranda, notes, prescriptions, drug orders, invoices, statements, patient medication charts or files, computerized records, or other written indicia, documents or objects which are used in any way in connection with the purchase, sale, or handling of any drug or device.

"Sale" means every sale and includes:

- (1) manufacturing, processing, transporting, handling, packaging, or any other production, preparation, or repackaging;
- (2) exposure, offer, or any other proffer;
- (3) holding, storing, or any other possession;
- (4) dispensing, giving, delivering, or any other supplying; and
- (5) applying, administering, or any other using.

SECTION 98. IC 25-26-13-25, AS AMENDED BY P.L.270-2001, SECTION 4, AND AS AMENDED BY P.L.288-2001, SECTION 4, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) All original prescriptions, whether in written or electronic format, shall be numbered and maintained in numerical and chronological order, or in a manner approved by the board and accessible for at least two (2) years in the pharmacy. A prescription transmitted from a practitioner by means of communication other than writing must immediately be reduced to writing or recorded in an electronic format by the pharmacist. The files shall be open for inspection to any member of the board or its duly authorized agent or representative.

(b) *Except as provided in subsection (c) before the expiration of*

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subsection (c) on June 30, 2003, a prescription for any drug, the label of which bears either the legend, "Caution: Federal law prohibits dispensing without prescription" or "Rx Only", may not be refilled without written or oral authorization of a licensed practitioner.

(c) A prescription for any drug, the label of which bears either the legend, "Caution: Federal law prohibits dispensing without prescription" or "Rx Only", may be refilled by a pharmacist one (1) time without the written or oral authorization of a licensed practitioner if all of the following conditions are met:

(1) The pharmacist has made every reasonable effort to contact the original prescribing practitioner or the practitioner's designee for consultation and authorization of the prescription refill.

(2) The pharmacist believes that, under the circumstances, failure to provide a refill would be seriously detrimental to the patient's health.

(3) The original prescription authorized a refill but a refill would otherwise be invalid for either of the following reasons:

(A) All of the authorized refills have been dispensed.

(B) The prescription has expired under subsection (f).

(4) The prescription for which the patient requests the refill was:

(A) originally filled at the pharmacy where the request for a refill is received and the prescription has not been transferred for refills to another pharmacy at any time; or

(B) filled at or transferred to another location of the same pharmacy or its affiliate owned by the same parent corporation if the pharmacy filling the prescription has full access to prescription and patient profile information that is simultaneously and continuously updated on the parent corporation's information system.

(5) The drug is prescribed for continuous and uninterrupted use and the pharmacist determines that the drug is being taken properly in accordance with IC 25-26-16.

(6) The pharmacist shall document the following information regarding the refill:

(A) The information required for any refill dispensed under subsection (d).

(B) The dates and times that the pharmacist attempted to contact the prescribing practitioner or the practitioner's designee for consultation and authorization of the prescription refill.

(C) The fact that the pharmacist dispensed the refill without

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the authorization of a licensed practitioner.

(7) The pharmacist notifies the original prescribing practitioner of the refill and the reason for the refill by the practitioner's next business day after the refill has been made by the pharmacist.

(8) Any pharmacist initiated refill under this subsection may not be for more than the minimum amount necessary to supply the patient through the prescribing practitioner's next business day. However, a pharmacist may dispense a drug in an amount greater than the minimum amount necessary to supply the patient through the prescribing practitioner's next business day if:

(A) the drug is packaged in a form that requires the pharmacist to dispense the drug in a quantity greater than the minimum amount necessary to supply the patient through the prescribing practitioner's next business day; or

(B) the pharmacist documents in the patient's record the amount of the drug dispensed and a compelling reason for dispensing the drug in a quantity greater than the minimum amount necessary to supply the patient through the prescribing practitioner's next business day.

(9) Not more than one (1) pharmacist initiated refill is dispensed under this subsection for a single prescription.

(10) The drug prescribed is not a controlled substance.

A pharmacist may not refill a prescription under this subsection if the practitioner has designated on the prescription form the words "No Emergency Refill". This subsection expires June 30, 2003.

(d) When refilling a prescription, the refill record shall include:

- (1) the date of the refill;*
- (2) the quantity dispensed if other than the original quantity; and*
- (3) the dispenser's identity on:*
 - (A) the original prescription form; or*
 - (B) another board approved, uniformly maintained, readily retrievable record.*

~~(d)~~ (e) The original prescription form or the other board approved record described in subsection ~~(e)~~ (d) must indicate by the number of the original prescription the following information:

- (1) The name and dosage form of the drug.*
- (2) The date of each refill.*
- (3) The quantity dispensed.*
- (4) The identity of the pharmacist who dispensed the refill.*
- (5) The total number of refills for that prescription.*

~~(e)~~ (f) A prescription is valid for not more than one (1) year after the original date of ~~filling~~ issue.



~~(f)~~ (g) A pharmacist may not knowingly dispense a prescription after the demise of the practitioner, unless in the pharmacist's professional judgment it is in the best interest of the patient's health.

~~(g)~~ (h) A pharmacist may not knowingly dispense a prescription after the demise of the patient.

~~(h)~~ (i) A pharmacist or a pharmacy shall not ~~accept medication resell, reuse, or redistribute a medication~~ that is returned ~~for resale or redistribution to the pharmacy after being dispensed~~ unless the medication:

- (1) was dispensed to a patient residing in an institutional facility (as defined in 856 IAC 1-28-1(a));
- (2) was properly stored and securely maintained according to sound pharmacy practices;
- (3) is returned unopened and:
 - (A) was dispensed in the manufacturer's original:
 - (i) bulk, multiple dose container with an unbroken tamper resistant seal; or
 - (ii) unit dose package; or
 - (B) was packaged by the dispensing pharmacy in a:
 - (i) multiple dose blister container; or
 - (ii) unit dose package;
- (4) was dispensed by the same pharmacy as the pharmacy accepting the return;
- (5) is not expired; and
- (6) is not a controlled substance (as defined in IC 35-48-1-9), unless the pharmacy holds a Type II permit (as ~~defined~~ **described** in IC 25-26-13-17).

~~(i)~~ (j) A pharmacist may use the pharmacist's professional judgment as to whether to accept medication for return under subsection (h).

(k) A pharmacist who violates subsection (c) commits a Class A infraction.

SECTION 99. IC 26-1-2.1-303, AS AMENDED BY P.L.57-2000, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 303. (1) As used in this section, "creation of a security interest" includes the sale of a lease contract that is subject to ~~IC 26-1-9~~, **IC 26-1-9.1**, by reason of IC 26-1-9.1-109(a)(3).

(2) Except as provided in subsection (3) and IC 26-1-9.1-407, a provision in a lease agreement which (i) prohibits the voluntary or involuntary transfer, including a transfer by sale, sublease, creation or enforcement of a security interest, or attachment, levy, or other judicial process, of an interest of a party under the lease contract or of the lessor's residual interest in the goods, or (ii) makes such a transfer an

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event of default, gives rise to the rights and remedies provided in subsection (4), but a transfer that is prohibited or is an event of default under the lease agreement is otherwise effective.

(3) A provision in a lease agreement which (i) prohibits a transfer of a right to damages for default with respect to the whole lease contract or of a right to payment arising out of the transferor's due performance of the transferor's entire obligation, or (ii) makes such a transfer an event of default, is not enforceable, and such a transfer is not a transfer that materially impairs the prospect of obtaining return performance by, materially changes the duty of, or materially increases the burden or risk imposed on, the other party to the lease contract within the purview of subsection (4).

(4) Subject to subsection (3) and IC 26-1-9.1-407:

- (a) if a transfer is made which is made an event of default under a lease agreement, the party to the lease contract not making the transfer, unless that party waives the default or otherwise agrees, has the rights and remedies described in IC 26-1-2.1-501(2); or
- (b) if subdivision (a) is not applicable and if a transfer is made that (i) is prohibited under a lease agreement or (ii) materially impairs the prospect of obtaining return performance by, materially changes the duty of, or materially increases the burden or risk imposed on, the other party to the lease contract, unless the party not making the transfer agrees at any time to the transfer in the lease contract or otherwise, then, except as limited by contract, (i) the transferor is liable to the party not making the transfer for damages caused by the transfer to the extent that the damages could not reasonably be prevented by the party not making the transfer and (ii) a court having jurisdiction may grant other appropriate relief, including cancellation of the lease contract or an injunction against the transfer.

(5) A transfer of "the lease" or of "all my rights under the lease", or a transfer in similar general terms, is a transfer of rights and, unless the language or the circumstances, as in a transfer for security, indicate the contrary, the transfer is a delegation of duties by the transferor to the transferee. Acceptance by the transferee constitutes a promise by the transferee to perform those duties. The promise is enforceable by either the transferor or the other party to the lease contract.

(6) Unless otherwise agreed by the lessor and the lessee, a delegation of performance does not relieve the transferor as against the other party of any duty to perform or of any liability for default.

(7) In a consumer lease, to prohibit the transfer of an interest of a party under the lease contract or to make a transfer an event of default,

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the language must be specific, by a writing, and conspicuous.

SECTION 100. IC 26-1-4-210, AS AMENDED BY P.L.57-2000, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 210. (a) A collecting bank has a security interest in an item and any accompanying documents or the proceeds of either:

- (1) in the case of an item deposited in an account, to the extent to which credit given for the item has been withdrawn or applied;
- (2) in the case of an item for which it has given credit available for withdrawal as of right, to the extent of the credit given, whether or not the credit is drawn upon or there is a right of charge-back; or
- (3) if it makes an advance on or against the item.

(b) If credit given for several items received at one (1) time or under a single agreement is withdrawn or applied in part, the security interest remains upon all the items, any accompanying documents, or the proceeds of either. For the purpose of this section, credits first given are first withdrawn.

(c) Receipt by a collecting bank of a final settlement for an item is a realization on its security interest in the item, accompanying documents, and proceeds. So long as the bank does not receive final settlement for the item or give up possession of the item or accompanying documents for purposes other than collection, the security interest continues to that extent and is subject to ~~IC 26-1-9;~~ **IC 26-1-9.1**, but:

- (1) no security agreement is necessary to make the security interest enforceable (IC 26-1-9.1-203(b)(3)(A));
- (2) no filing is required to perfect the security interest; and
- (3) the security interest has priority over conflicting perfected security interests in the item, accompanying documents, or proceeds.

SECTION 101. IC 26-3-7-16.8, AS AMENDED BY P.L.173-1999, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16.8. (a) A lien against all grain assets of a licensee or a person who is required to be licensed under this chapter attaches in favor of the following:

- (1) A lender or other claimant that has a receipt for grain owned or stored by the licensee.
- (2) A claimant that has a ticket or written evidence, other than a receipt, of a storage obligation of the licensee.
- (3) A claimant that surrendered a receipt as part of a grain sales transaction if:

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- (A) the claimant was not fully paid for the grain sold; and
 - (B) the licensee failed less than twenty-one (21) days after the surrender of the receipt.
 - (4) A claimant that has other written evidence of a sale to the licensee of grain for which the claimant has not been fully paid.
 - (b) A lien under this section attaches and is effective at the earliest of the following:
 - (1) the delivery of the grain for sale, storage, or under a bailment;
 - (2) the commencement of the storage obligation; or
 - (3) the advancement of funds by a lender.
 - (c) A lien under this section terminates when the licensee discharges the claim.
 - (d) If a licensee fails, the lien that attaches under this section is assigned to the agency by operation of this section. If a failed licensee is liquidated, a lien under this section continues to attach as a claim against the assets or proceeds of the assets of the licensee that are received or liquidated by the agency.
 - (e) Except as provided in subsection (g), if a licensee fails, the power to enforce the lien on the licensee's grain assets transfers by operation of this section to the director and rests exclusively with the director who shall allocate and prorate the proceeds of the grain assets as provided in subsections (f) and (h).
 - (f) The priority of a lien that attaches under this section is not determined by the date on which the claim arose. If a licensee fails, the director shall enforce lien claims and allocate grain assets and the proceeds of grain assets of the licensee in the following order of priority:
 - (1) First priority is assigned to the following:
 - (A) A lender or other claimant that has a receipt for grain owned or stored by the licensee.
 - (B) A claimant that has a ticket or written evidence, other than a receipt, of a storage obligation of the licensee.
 - (C) A claimant that surrendered a receipt as part of a grain sales transaction if:
 - (i) the claimant was not fully paid for the grain sold; and
 - (ii) the licensee failed less than twenty-one (21) days after the surrender of the receipt.
- If there are insufficient grain assets to satisfy all first priority claims, first priority claimants shall share pro rata in the assets.
- (2) Second priority is assigned to all claimants who have written evidence of the sale of grain, such as a ticket, a deferred pricing agreement, or similar grain delivery contract, and who completed

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delivery less than thirty (30) days before the licensee's failure. Claimants under this subdivision share pro rata in the remaining assets if all claimants under subdivision (1) have been paid but insufficient assets remain to fully satisfy all claimants under this subdivision.

(3) Third priority is assigned to all other claimants that have written evidence of the sale of grain to the failed licensee. Claimants under this subdivision share pro rata in the distribution of the remaining grain assets.

(g) If a claimant under this section brings an action to recover grain assets that are subject to a lien under this section and the agency does not join the action, the director shall, upon request of the claimant, assign the lien to the claimant in order to allow the claimant to pursue the claim to the extent that the action does not delay the resolution of the matter by the agency, the prompt liquidation of the assets, or the ultimate distribution of assets to all claimants.

(h) If:

(1) a claimant engaged in farming operations granted to one (1) or more secured parties one (1) or more security interests in the grain related to the claimant's claim under this section; and

(2) one (1) or more secured parties described in subdivision (1) have given to:

(A) the licensee prior written notice of the security interest under **IC 26-1-9.1-320(a)(1) or IC 26-1-9-307(1)(a) before its repeal**; and

(B) the director prior written notice of the security interest with respect to the grain described in subdivision (1) sufficient to give the director a reasonable opportunity to cause the issuance of a joint check under this subsection;

the director shall pay the claimant described in subdivision (1) the portion of the proceeds of grain assets under subsection (e) to which the claimant is entitled under this section by issuance of a check payable jointly to the order of the claimant and any secured party described in subdivision (1) who has given the notices described in subdivision (2). If only one (1) secured party described in subdivision (1) is a payee, the rights of the secured party in the check shall be to the extent of the indebtedness of the claimant to the secured party. If two (2) or more secured parties described in subdivision (1) are payees, the nature, extent, and priority of their respective rights in the check are determined in the same manner as the nature, extent, and priority of their respective security interest under ~~IC 26-1-9~~ **IC 26-1-9.1**.

SECTION 102. IC 26-4-6-3, AS AMENDED BY P.L.115-1999,

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SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (b), within ninety (90) days of the board's approval of a valid claim, the board shall compensate from the fund, in an amount described in section 4 of this chapter and in the manner described in subsection (c), a claimant who has incurred a financial loss or storage loss due to a failure of a grain buyer or warehouseman.

(b) The time for payment may be extended if the board and claimant mutually agree and put the terms of the payment in writing.

(c) If:

(1) a claimant engaged in farming operations granted to one (1) or more secured parties one (1) or more security interests in the grain related to the claimant's claim under this section; and

(2) one (1) or more secured parties described in subdivision (1) have given to:

(A) the licensee prior written notice of the security interest under **IC 26-1-9.1-320(a)(1) or IC 26-1-9-307(1)(a) before its repeal**; and

(B) the board prior written notice of the security interest with respect to the grain described in subdivision (1) sufficient to give the board a reasonable opportunity to cause the issuance of a joint check under this subsection;

the board may compensate the claimant described in subdivision (1) in the amount to which the claimant is entitled under section 4 of this chapter by causing the issuance of a check payable jointly to the order of the claimant and any secured party described in subdivision (1) who has given the notices described in subdivision (2). If only one (1) secured party described in subdivision (1) is a payee, the rights of the secured party in the check shall be to the extent of the indebtedness of the claimant to the secured party. If two (2) or more secured parties described in subdivision (1) are payees, the nature, extent, and priority of their respective rights in the check are determined in the same manner as the nature, extent, and priority of their respective security interest under ~~IC 26-1-9~~ **IC 26-1-9.1**.

SECTION 103. IC 27-1-12-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. A domestic life insurance company shall not issue the type of life insurance or annuity contracts defined and sanctioned under Class 1(c) of IC 27-1-5-1 unless, in addition to fulfilling all other qualifications prescribed by law, it possesses assets of not less than twenty million dollars (\$20,000,000), or combined capital and surplus, in the case of a stock company, or surplus, in the case of a mutual company, of not less than

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two million five hundred thousand dollars (\$2,500,000). In applying these qualifications to a subsidiary stock life insurance company ~~fulfilling the provisions of IC 27-2-9~~, **that is a subsidiary company (as defined in IC 27-1-23-2.6)**, the requirements concerning assets, capital, and surplus shall be regarded as fulfilled if the consolidated assets, capital, and surplus of the primary and subsidiary companies equal or exceed the required amounts.

SECTION 104. IC 27-1-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The following definitions apply throughout this section:

(1) "Acceptable collateral" means the following:

(A) As to securities lending transactions and for the purpose of calculating counterparty exposure:

- (i) cash;
- (ii) cash equivalents;
- (iii) letters of credit; and
- (iv) direct obligations of, or securities that are fully guaranteed as to principal and interest by, the government of the United States or any agency of the United States, including the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(B) As to lending foreign securities, sovereign debt rated 1 by the Securities Valuation Office.

(C) As to repurchase transactions:

- (i) cash;
- (ii) cash equivalents; and
- (iii) direct obligations of, or securities that are fully guaranteed as to principal and interest by, the government of the United States or any agency of the United States, including the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(D) As to reverse repurchase transactions:

- (i) cash; and
- (ii) cash equivalents.

(2) "Admitted assets" means assets permitted to be reported as admitted assets on the statutory financial statement of the insurer most recently required to be filed with the commissioner.

(3) "Business entity" means any of the following:

- (A) A sole proprietorship.
- (B) A corporation.
- (C) A limited liability company.
- (D) An association.

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- (E) A general partnership.
 - (F) A limited partnership.
 - (G) A limited liability partnership.
 - (H) A joint stock company.
 - (I) A joint venture.
 - (J) A trust.
 - (K) A joint tenancy.
 - (L) Any other similar form of business organization, whether for profit or nonprofit.
- (4) "Cash" means any of the following:
- (A) United States denominated paper currency and coins.
 - (B) Negotiable money orders and checks.
 - (C) Funds held in any time or demand deposit in any depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation.
- (5) "Cash equivalent" means any of the following:
- (A) A certificate of deposit issued by a depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation.
 - (B) A banker's acceptance issued by a depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation.
 - (C) A government money market mutual fund.
 - (D) A class one (1) money market mutual fund.
- (6) "Class one (1) money market mutual fund" means a money market mutual fund that at all times qualifies for investment using the bond class one (1) reserve factor pursuant to the Purposes and Procedures of the Securities Valuation Office of the National Association of Insurance Commissioners or any successor publication.
- (7) "Government money market mutual fund" means a money market mutual fund that at all times:
- (A) invests only in obligations issued, guaranteed, or insured by the United States or collateralized repurchase agreements composed of these obligations; and
 - (B) qualifies for investment without a reserve pursuant to the Purposes and Procedures of the Securities Valuation Office of the National Association of Insurance Commissioners or any successor publication.
- (8) "Money market mutual fund" means a mutual fund that meets the conditions of 17 CFR 270.2a-7, under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.).

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(9) "Mutual fund" means:

(A) an investment company; or

(B) in the case of an investment company that is organized as a series company, an investment company series;

that is registered with the United States Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.).

(10) "Obligation" means any of the following:

(A) A bond.

(B) A note.

(C) A debenture.

(D) Any other form of evidence of debt.

(11) "Qualified business entity" means a business entity that is:

(A) an issuer of obligations or preferred stock that is rated one (1) or two (2) or is rated the equivalent of one (1) or two (2) by the Securities Valuation Office or by a nationally recognized statistical rating organization recognized by the Securities Valuation Office; or

(B) a primary dealer in United States government securities, recognized by the Federal Reserve Bank of New York.

(12) "Securities Valuation Office" refers to the Securities Valuation Office of the National Association of Insurance Commissioners or any successor of the Office established by the National Association of Insurance Commissioners.

(b) Any company, other than one organized as a life insurance company, organized under the provisions of IC 27-1 or any other law of this state and authorized to make any or all kinds of insurance described in class 2 or class 3 of IC 27-1-5-1 shall invest its capital or guaranty fund as follows and not otherwise:

(1) In cash.

(2) In:

(A) direct obligations of the United States; or

(B) obligations secured or guaranteed as to principal and interest by the United States.

(3) In:

(A) direct obligations; or

(B) obligations secured by the full faith and credit;

of any state of the United States or the District of Columbia.

(4) In obligations of any county, township, city, town, village, school district, or other municipal district within the United States which are a direct obligation of the county, township, city, town, village, or district issuing the same.

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(5) In obligations secured by mortgages or deeds of trust or unencumbered real estate or perpetual leases thereon in the United States not exceeding eighty percent (80%) of the fair value of the security determined in a manner satisfactory to the department, except that the percentage stated may be exceeded if and to the extent such excess is guaranteed or insured by the United States, any state, territory, or possession of the United States, the District of Columbia, Canada, any province of Canada, or by an administration, agency, authority, or instrumentality of any such governmental units. Where improvements on the land constitute a part of the value on which the loan is made, the improvements shall be insured against fire and tornado for the benefit of the mortgagee. For the purposes of this section, real estate may not be deemed to be encumbered by reason of the existence of taxes or assessments that are not delinquent, instruments creating or reserving mineral, oil, or timber rights, rights-of-way, joint driveways, sewer rights, rights-in-walls, nor by reason of building restrictions, or other restrictive covenants, nor when such real estate is subject to lease in whole or in part whereby rents or profits are reserved to the owner. The restrictions contained in this subdivision do not apply to loans or investments made under section 5 of this chapter.

(c) Any company organized under the provisions of this article or any other law of this state and authorized to make any or all of the kinds of insurance described in class 2 or class 3 of IC 27-1-5-1 shall invest its funds over and above its required capital stock or required guaranty fund as follows, and not otherwise:

(1) In cash or cash equivalents. However, not more than ten percent (10%) of admitted assets may be invested in any single government money market mutual fund or class one (1) money market mutual fund.

(2) In direct obligations of the United States or obligations secured or guaranteed as to principal and interest by the United States.

(3) In obligations issued, guaranteed, or insured as to principal and interest by a city, county, drainage district, road district, school district, tax district, town, township, village or other civil administration, agency, authority, instrumentality or subdivision of a state, territory, or possession of the United States, the District of Columbia, Canada, or any province of Canada, providing such obligations are authorized by law and are either:

(A) direct and general obligations of the issuing, guaranteeing,

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or insuring governmental unit, administration, agency, authority, district, subdivision, or instrumentality;

(B) payable from designated revenues pledged to the payment of the principal and interest of the obligations; or

(C) improvement bonds or other obligations constituting a first lien, except for tax liens, against all of the real estate within the improvement district or on that part of such real estate not discharged from such lien through payment of the assessment.

The area to which the improvement bonds or other obligations under clause (C) relate must be situated within the limits of a town or city and at least fifty percent (50%) of the properties within that area must be improved with business buildings or residences.

(4) In:

(A) direct obligations; or

(B) obligations secured by the full faith and credit;

of any state of the United States, the District of Columbia, or Canada or any province thereof.

(5) In obligations guaranteed, supported, or insured as to principal and interest by the United States, any state, territory, or possession of the United States, the District of Columbia, Canada, any province of Canada, or by an administration, agency, authority, or instrumentality of any of the political units listed in this subdivision. An obligation is "supported" for the purposes of this subdivision when repayment of the obligation is secured by real or personal property of value at least equal to the principal amount of the indebtedness by means of mortgage, assignment of vendor's interest in one (1) or more conditional sales contracts, other title retention device, or by means of other security interest in the property for the benefit of the holder of the obligation, and one (1) of the political units listed in this subdivision, or an administration, agency, authority, or instrumentality listed in this subdivision, has entered into a firm agreement to rent or use the property pursuant to which entity is obligated to pay money as rental or for the use of the property in amounts and at times that are sufficient, after provision for taxes upon and for other expenses of the use of the property, to repay in full the indebtedness, both principal and interest, and when the firm agreement and the money obligated to be paid under the agreement are assigned, pledged, or secured for the benefit of the holder of the obligation. However, where the security consists of a first mortgage lien or deed of trust on a fee interest in real

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property, the obligation may provide for the amortization, during the initial fixed period of the lease or contract of less than one hundred percent (100%) of the indebtedness if there is pledged or assigned, as additional security for the obligation, sufficient rentals payable under the lease, or of contract payments, to secure the amortized obligation payments required during the initial, fixed period of the lease or contract, including but not limited to payments of principal, interest, and taxes other than the income taxes of the borrower, and if there is to be left unamortized at the end of the period an amount not greater than the original appraised value of the land only, exclusive of all improvements, as prescribed by law.

(6) In obligations secured by mortgages or deeds of trust or unencumbered real estate or perpetual leases thereon, in any state in the United States, the District of Columbia, Canada, or any province of Canada, not exceeding eighty percent (80%) of the fair value of the security determined in a manner satisfactory to the department, except that the percentage stated may be exceeded if and to the extent that the excess is guaranteed or insured by the United States, any state, territory, or possession of the United States, the District of Columbia, Canada, any province of Canada, or by an administration, agency, authority, or instrumentality of any of such governmental units. The value of the real estate must be determined by a method and in a manner satisfactory to the department. The restrictions contained in this subdivision do not apply to loans or investments made under section 5 of this chapter.

(7) In obligations issued under or pursuant to the Farm Credit Act of 1971 (12 U.S.C. 2001 through 2279aa-14) as in effect on December 31, 1990, or the Federal Home Loan Bank Act (12 U.S.C. 1421 through 1449) as in effect on December 31, 1990, interest bearing obligations of the FSLIC Resolution Fund and shares of any institution that is insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation to the extent that the shares are insured, obligations issued or guaranteed by the International Bank for Reconstruction and Development, obligations issued or guaranteed by the Inter-American Development Bank, and obligations issued or guaranteed by the African Development Bank.

(8) In any mutual fund that:

(A) has been registered with the Securities and Exchange Commission for a period of at least five (5) years immediately

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preceding the date of purchase;

(B) has net assets of at least twenty-five million dollars (\$25,000,000) on the date of purchase; and

(C) invests substantially all of its assets in investments permitted under this subsection.

The amount invested in any single mutual fund shall not exceed ten percent (10%) of admitted assets. The aggregate amount of investments under this subdivision may be limited by the commissioner if the commissioner finds that investments under this subdivision may render the operation of the company hazardous to the company's policyholders, to the company's creditors, or to the general public. This subdivision in no way limits or restricts investments that are otherwise specifically permitted under this section.

(9) In obligations payable in United States dollars and issued, guaranteed, assumed, insured, or accepted by a foreign government or by a solvent business entity existing under the laws of a foreign government, if the obligations of the foreign government or business entity meet at least one (1) of the following criteria:

(A) The obligations carry a rating of at least A3 conferred by Moody's Investor Services, Inc.

(B) The obligations carry a rating of at least A- conferred by Standard & Poor's Corporation.

(C) The earnings available for fixed charges of the business entity for a period of five (5) fiscal years preceding the date of purchase have averaged at least three (3) times the average fixed charges of the business entity applicable to the period, and if during either of the last two (2) years of the period, the earnings available for fixed charges were at least three (3) times the fixed charges of the business entity for the year. As used in this subdivision, the terms "earnings available for fixed charges" and "fixed charges" have the meanings set forth in IC 27-1-12-2(a).

Foreign investments authorized by this subdivision shall not exceed twenty percent (20%) of the company's admitted assets. This subdivision in no way limits or restricts investments that are otherwise specifically permitted under this section. Canada is not a foreign government for purposes of this subdivision.

(10) In the obligations of any solvent business entity existing under the laws of the United States, any state of the United States, the District of Columbia, Canada, or any province of Canada,

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provided that interest on the obligations is not in default.

(11) In the preferred or guaranteed shares of any solvent business entity, so long as the business entity is not and has not been for the preceding five (5) years in default in the payment of interest due and payable on its outstanding debt or in arrears in the payment of dividends on any issue of its outstanding preferred or guaranteed stock.

(12) In the shares, other than those specified in subdivision (7), of any solvent business entity existing under the laws of any state of the United States, the District of Columbia, Canada, or any province of Canada, and in the shares of any institution wherever located which has the insurance protection provided by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation. Except for the purpose of mutualization or for the purpose of retirement of outstanding shares of capital stock pursuant to amendment of its articles of incorporation, or in connection with a plan approved by the commissioner for purchase of such shares by the insurance company's officers, employees, or agents, or for the elimination of fractional shares, no company subject to the provisions of this section may invest in its own stock.

(13) In loans upon the pledge of any mortgage, stocks, bonds, or other evidences of indebtedness, acceptable as investments under the terms of this chapter, if the current value of the mortgage, stock, bond, or other evidences of indebtedness is at least twenty-five percent (25%) more than the amount loaned on it.

(14) In real estate, subject to subsections (d) and (e).

(15) In securities lending, repurchase, and reverse repurchase transactions with business entities, subject to the following requirements:

(A) The company's board of directors shall adopt a written plan that specifies guidelines and objectives to be followed, such as:

- (i) a description of how cash received will be invested or used for general corporate purposes of the company;
- (ii) operational procedures to manage interest rate risk, counterparty default risk, and the use of acceptable collateral in a manner that reflects the liquidity needs of the transaction; and
- (iii) the extent to which the company may engage in these transactions.

(B) The company shall enter into a written agreement for all

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transactions authorized in this subdivision. The written agreement shall require the termination of each transaction not more than one (1) year from its inception or upon the earlier demand of the company. The agreement shall be with the counterparty business entity but, for securities lending transactions, the agreement may be with an agent acting on behalf of the company if the agent is a qualified business entity and if the agreement:

- (i) requires the agent to enter into separate agreements with each counterparty that are consistent with the requirements of this section; and
- (ii) prohibits securities lending transactions under the agreement with the agent or its affiliates.

(C) Cash received in a transaction under this section shall be invested in accordance with this section and in a manner that recognizes the liquidity needs of the transaction or used by the company for its general corporate purposes. For as long as the transaction remains outstanding, the company or its agent or custodian shall maintain, as to acceptable collateral received in a transaction under this section, either physically or through book entry systems of the Federal Reserve, Depository Trust Company, Participants Trust Company, or other securities depositories approved by the commissioner:

- (i) possession of the acceptable collateral;
- (ii) a perfected security interest in the acceptable collateral; or
- (iii) in the case of a jurisdiction outside the United States, title to, or rights of a secured creditor to, the acceptable collateral.

(D) For purposes of calculations made to determine compliance with this subdivision, no effect may be given to the company's future obligation to resell securities in the case of a repurchase transaction, or to repurchase securities in the case of a reverse repurchase transaction. A company shall not enter into a transaction under this subdivision if, as a result of and after giving effect to the transaction:

- (i) the aggregate amount of securities then loaned, sold to, or purchased from any one (1) business entity pursuant to this subdivision would exceed five percent (5%) of its admitted assets (but, in calculating the amount sold to or purchased from a business entity pursuant to repurchase or reverse repurchase transactions, effect may be given to

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netting provisions under a master written agreement); or
 (ii) the aggregate amount of all securities then loaned, sold to, or purchased from all business entities under this subdivision would exceed forty percent (40%) of its admitted assets.

(E) In a securities lending transaction, the company shall receive acceptable collateral having a market value as of the transaction date at least equal to one hundred two percent (102%) of the market value of the securities loaned by the company in the transaction as of that date. If at any time the market value of the acceptable collateral is less than the market value of the loaned securities, the business entity shall be obligated to deliver additional acceptable collateral, the market value of which, together with the market value of all acceptable collateral then held in connection with the transaction, at least equals one hundred two percent (102%) of the market value of the loaned securities.

(F) In a reverse repurchase transaction, the company shall receive acceptable collateral having a market value as of the transaction date at least equal to ninety-five percent (95%) of the market value of the securities transferred by the company in the transaction as of that date. If at any time the market value of the acceptable collateral is less than ninety-five percent (95%) of the market value of the securities so transferred, the business entity shall be obligated to deliver additional acceptable collateral, the market value of which, together with the market value of all acceptable collateral then held in connection with the transaction, equals at least ninety-five percent (95%) of the market value of the transferred securities.

(G) In a repurchase transaction, the company shall receive as acceptable collateral transferred securities having a market value equal to at least one hundred two percent (102%) of the purchase price paid by the company for the securities. If at any time the market value of the acceptable collateral is less than one hundred percent (100%) of the purchase price paid by the company, the business entity shall be obligated to provide additional acceptable collateral, the market value of which, together with the market value of all acceptable collateral then held in connection with the transaction, equals at least one hundred two percent (102%) of the purchase price. Securities acquired by a company in a repurchase transaction shall not be

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sold in a reverse repurchase transaction, loaned in a securities lending transaction, or otherwise pledged.

(16) In mortgage backed securities, including collateralized mortgage obligations, mortgage pass through securities, mortgage backed bonds, and real estate mortgage investment conduits, adequately secured by a pool of mortgages, which mortgages are fully guaranteed or insured by the government of the United States or any agency of the United States, including the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

(17) In mortgage backed securities, including collateralized mortgage obligations, mortgage pass through securities, mortgage backed bonds, and real estate mortgage investment conduits, adequately secured by a pool of mortgages, if the securities carry a rating of at least:

(A) A3 conferred by Moody's Investor Services, Inc.; or

(B) A- conferred by Standard & Poor's Corporation.

The amount invested in any one (1) obligation or pool of obligations described in this subdivision shall not exceed five percent (5%) of admitted assets. The aggregate amount of all investments under this subdivision shall not exceed ten percent (10%) of admitted assets.

(18) Any other investment acquired in good faith as payment on account of existing indebtedness or in connection with the refinancing, restructuring, or workout of existing indebtedness, if taken to protect the interests of the company in that investment.

(19) In any other investment. The total of all investments under this subdivision, except for investments in subsidiary companies under ~~IC 27-2-9~~, **IC 27-1-23-2.6**, may not exceed an aggregate amount of ten percent (10%) of the insurer's admitted assets.

Investments are not permitted under this subdivision:

(A) if expressly prohibited by statute; or

(B) in an insolvent organization or an organization in default with respect to the payment of principal or interest on its obligations.

(d) Any company subject to the provisions of this section shall have power to acquire, hold, or convey real estate, or an interest therein, as described below, and no other:

(1) Leaseholds, provided the mortgage term shall not exceed four-fifths (4/5) of the unexpired lease term, including enforceable renewable options, remaining at the time of the loan, such real estate or leaseholds to be located in the United States,

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any territory or possession of the United States, or Canada, the value of such leasehold for statement purposes shall be determined in a manner and form satisfactory to the department. At the time the leasehold is acquired and approved by the department, a schedule of annual depreciation shall be set up by the department in which the value of said leasehold is to be depreciated, and said depreciation is to be averaged out over not exceeding a period of fifty (50) years.

(2) The building in which it has its principal office and the land on which it stands.

(3) Such as shall be necessary for the convenient transaction of its business.

(4) Such as shall have been acquired for the accommodation of its business.

(5) Such as shall have been mortgaged to it in good faith by way of security for loans previously contracted or for money due.

(6) Such as shall have been conveyed to it in connection with its investments in real estate contracts or its investments in real estate under lease or for the purpose of leasing or such as shall have been acquired for the purpose of investment under any law, order, or regulation authorizing such investment, for statement purposes, the value of such real estate shall be determined in a manner satisfactory to the department.

(7) Such as shall have been conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or in exchange for real estate so conveyed to it.

(8) Such as it shall have purchased at sales on judgments, decrees, or mortgages obtained or made for such debts.

(e) All real estate described in subsection (d)(4) through (d)(8) which is not necessary for the convenient transaction of its business shall be sold by said company and disposed of within ten (10) years after it acquired title to the same, or within five (5) years after the same has ceased to be necessary for the accommodation of its business, unless the company procures the certificate of the commissioner that its interests will suffer materially by a forced sale of the real estate, in which event the time for the sale may be extended to such time as the commissioner directs in the certificate.

SECTION 105. IC 27-1-15.6-5, AS ADDED BY P.L.132-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: Sec. 5. (a) A resident individual applying for:

(1) an insurance producer license;



- (2) a consultant's license; or
- (3) a surplus lines producer license;

must pass a written examination unless the individual is exempt under section 9 of this chapter.

(b) The examination required under subsection (a) must test the knowledge of the individual concerning the:

- (1) lines of authority for which application is made;
- (2) duties and responsibilities of a licensee; and
- (3) insurance laws and administrative rules of Indiana.

(c) Examinations required under this section must be developed and conducted under rules ~~as may be prescribed~~ **adopted** by the commissioner.

(d) The commissioner may make arrangements, including contracting with an outside testing service, for administering examinations, collecting the nonrefundable examination fee as established by contract with an outside testing service, or collecting the nonrefundable licensure fee set forth in section 32 of this chapter.

(e) An individual who fails to appear for the examination required under subsection (a) as scheduled ~~or~~ who ~~or~~ fails to pass the examination must reapply for an examination and remit all required fees and forms before being rescheduled for another examination.

SECTION 106. IC 27-1-15.6-6, AS ADDED BY P.L.132-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) A person applying for a resident insurance producer license shall make application to the commissioner on the uniform application and declare under penalty of refusal, suspension, or revocation of the license that the statements made in the application are true, correct, and complete to the best of the individual's knowledge and belief.

(b) Before approving an application submitted under subsection (a), the commissioner must find that the individual meets the following requirements:

- (1) Is at least eighteen (18) years of age.
- (2) Has not committed any act that is a ground for denial, suspension, or revocation under section 12 of this chapter.
- (3) Has completed, if required by the commissioner, a certified prelicensing course of study for the lines of authority for which the individual has applied.
- (4) Has paid the nonrefundable fee set forth in section 32 of this chapter.
- (5) Has successfully passed the examinations for the lines of authority for which the ~~person~~ **individual** has applied.



(c) An applicant for a resident insurance producer license must file with the commissioner on a form prescribed by the commissioner a certification of completion certifying that the applicant has completed an insurance producer program of study certified by the commissioner under IC 27-1-15.7-5 not more than six (6) months before the application for the license is received by the commissioner. This subsection applies only to licensees seeking qualification in the lines of insurance described in sections 7(a)(1) through 7(a)(6) of this chapter.

(d) A business entity, before acting as an insurance producer, is required to obtain an insurance producer license. The application submitted by a business entity under this subsection must be made using the uniform business entity application. Before approving the application, the commissioner must find that the business entity has:

- (1) paid the fees required under section 32 of this chapter; and
- (2) designated an individual licensed producer responsible for the business entity's compliance with the insurance laws and administrative rules of Indiana.

(e) The commissioner may require any documents reasonably necessary to verify the information contained in an application submitted under this subsection.

(f) An insurer that sells, solicits, or negotiates any form of limited line credit insurance shall provide a program of instruction approved by the commissioner to each individual whose duties will include selling, soliciting, or negotiating limited line credit insurance.

SECTION 107. IC 27-1-15.6-19, AS ADDED BY P.L.132-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) As used in this section, "prearranged funeral insurance" means insurance that is used to fund any of the following:

- (1) A funeral trust under IC 30-2-10 and IC 30-2-13.
- (2) Any other arrangement for advance payment of funeral and burial expenses.

(b) A person shall not sell, solicit, or negotiate prearranged funeral insurance unless the person is licensed as either of the following:

- (1) An insurance producer with a life qualification under section 7 of this chapter.
- (2) A limited lines producer.

(c) A person may be licensed as a limited lines producer to sell only prearranged funeral insurance if the person is:

- (1) licensed under IC 25-15-4-3; and
- (2) granted a change in status under subsection (d).



(d) If, after a person is licensed under this chapter as an insurance producer with a life qualification, the person wants to limit the person's insurance business solely to the sale of prearranged funeral insurance, the person must:

- (1) request the commissioner to issue the person a limited lines producer's license under this chapter; and
- (2) show proof of having completed ten (10) hours of continuing education credit approved by the department.

(e) If the commissioner receives a request and proof under subsection (d), the commissioner shall issue a limited lines producer's license, subject to the provisions of this chapter relating to limited lines ~~producer~~ **producer's** licenses.

(f) A person issued a limited lines producer's license under subsection (e) may sell only prearranged funeral insurance.

SECTION 108. IC 27-1-15.6-30, AS ADDED BY P.L.132-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 30. The commissioner and the director of the department of financial institutions shall consult with each other and assist each other in enforcing compliance with the provisions of IC 28 concerning the sale of life insurance policies and annuity contracts. The commissioner and the director of the department of financial institutions may jointly conduct investigations, prosecute suits, and take other official action ~~they that the commissioner and the director~~ consider appropriate under this section if either ~~of them the commissioner or the director~~ is empowered to take the action. If the director of the department of financial institutions is informed by a financial institution or its affiliate of a violation or suspected violation of any provision of IC 28 concerning the sale of life insurance policies or annuity contracts or of the insurance laws and rules of Indiana, the director of the department of financial institutions shall timely advise the commissioner of the violation. If the commissioner is informed by a financial institution or its affiliate of a violation or suspected violation of any provision of IC 28 concerning the sale of life insurance policies or annuity contracts or of the insurance laws and rules of Indiana, the commissioner shall timely advise the director of the department of financial institutions of the violation.

SECTION 109. IC 27-1-15.7-2, AS ADDED BY P.L.132-2001, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) To renew a license issued under IC 27-1-15.6:

- (1) a resident insurance producer must complete at least forty (40) hours of credit in continuing education courses; and

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- (2) a resident limited lines producer must complete at least ten (10) hours of credit in continuing education courses.

An attorney in good standing who is admitted to the practice of law in Indiana and holds a license issued under IC 27-1-15.6 may complete all or any number of hours of continuing education required by this subsection by completing an equivalent number of hours in continuing legal education courses that are related to the business of insurance.

(b) The following limited lines producers are not required to complete continuing education courses to renew a license under this chapter:

- (1) A limited lines producer who is licensed without examination under ~~IC 27-1-15.6-18(a)(1)~~ **IC 27-1-15.6-18(1)** or ~~IC 27-1-15.6-18(a)(2)~~ **IC 27-1-15.6-18(2)**.

- (2) A limited line credit insurance producer.

(c) To satisfy the requirements of subsection (a), a licensee may use only those credit hours earned in continuing education courses completed by the licensee:

- (1) after the effective date of the licensee's last renewal of a license under this chapter; or
(2) if the licensee is renewing a license for the first time, after the date on which the licensee was issued the license under this chapter.

(d) If an insurance producer receives qualification for a license in more than one (1) line of authority under IC 27-1-15.6, the insurance producer may not be required to complete a total of more than forty (40) hours of credit in continuing education courses to renew the license.

(e) Except as provided in subsection (f), a licensee may receive credit only for completing continuing education courses that have been approved by the commissioner under section 4 of this chapter.

(f) A licensee who teaches a course approved by the commissioner under section 4 of this chapter shall receive continuing education credit for teaching the course.

(g) When a licensee renews a license issued under this chapter, the licensee must submit:

- (1) a continuing education statement that:
(A) is in a format authorized by the commissioner;
(B) is signed by the licensee under oath; and
(C) lists the continuing education courses completed by the licensee to satisfy the continuing education requirements of this section; and
(2) any other information required by the commissioner.



(h) A continuing education statement submitted under subsection (g) may be reviewed and audited by the department.

(i) A licensee shall retain a copy of the original certificate of completion received by the licensee for completion of a continuing education course.

SECTION 110. IC 27-6-9-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) The commissioner may refuse to issue a reinsurance intermediary license if, in the commissioner's judgment:

- (1) the applicant, anyone named on the application, or any member, principal, officer, or director of the applicant, is not trustworthy;
- (2) any controlling person of the applicant is not trustworthy to act as a reinsurance intermediary; or
- (3) any of the foregoing has given cause for revocation or suspension of such license, or has failed to comply with any prerequisite for the issuance of such license.

(b) Upon written request therefor, the commissioner shall furnish a summary of the basis for refusal to issue a license. A summary furnished under this subsection is declared confidential for the purposes of ~~IC 5-14-3-4(1)~~ IC 5-14-3-4(a)(1) and is not subject to inspection and copying as a public record.

SECTION 111. IC 27-8-5.8-4, AS ADDED BY P.L.230-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) This section applies to an insurer that:

- (1) issues an accident and sickness insurance policy that provides coverage for prescription drugs or devices; and
- (2) issues a card or other technology for claims processing.

This section also applies to a third party administrator for self-insured plans, a pharmacy benefit manager, or a health benefit plan administered by the state if the administrator, manager, or plan issues a card or other technology described in subdivision (2).

(b) The card or other technology issued by an insurer or another entity referred to in subsection (a) must contain uniform prescription drug information that complies with the requirements established under subsection (c).

(c) Prescription drug information cards or other technology must meet either of the following criteria:

- (1) Be in a format and contain information fields approved by the National Council for Prescription Drug Programs (NCPDP) as contained in the National Council for Prescription Drug Programs Pharmacy ID Card Implementation Guide in effect on the October

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1 most immediately preceding the issuance of the card.

(2) Contain the following information:

(A) The health benefit plan's name.

(B) The insured's name, group number, and identification number.

(C) A telephone number to inquire about pharmacy related issues.

(D) The issuer's international identification number or ANSI BIN number, labeled as RxBIN.

(E) The processor control number, labeled as RxPCN.

(F) The insured's pharmacy benefits group number if different than ~~the~~ medical group number, labeled as RxGRP.

~~(3)~~ Only those fields listed in ~~(A) through (F)~~ **clauses (A) through (F)** ~~above~~ that are required for proper adjudication of the claim must appear on the card. If the card is used to adjudicate non-pharmacy claims, then the designation "Rx" listed in ~~the fields (D) through (F)~~ **clauses (D) through (F)** is not required to be ~~utilized~~ **used** by the issuer.

(d) An insurer ~~its~~ **or an insurer's** agents, contractors, or administrators, including pharmacy benefits managers, may not be required to issue a prescription drug information card or other technology to a person more than one (1) time during a twelve (12) month period.

(e) The prescription drug information cards or other technology issued under this section may be used for health insurance coverage other than the coverage to which this chapter applies.

SECTION 112. IC 27-8-17-12, AS AMENDED BY P.L.66-2001, SECTION 1, AND AS AMENDED BY P.L.203-2001, SECTION 12, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) A utilization review agent shall make available to an enrollee, *and to a provider of record upon request*, at the time an adverse utilization review determination is made: *and to a provider of record upon request*.

(1) a written description of the appeals procedure by which an enrollee or a provider of record may appeal the utilization review determination by the utilization review agent; and

(2) in the case of an enrollee covered under an accident and sickness policy or a health maintenance organization contract described in subsection (d), notice that the enrollee has the right to appeal the utilization review determination under IC 27-8-28 or IC 27-13-10 and the toll free telephone number that the enrollee may call to request a review of the determination or

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obtain further information about the right to appeal.

(b) The appeals procedure provided by a utilization review agent must meet the following requirements:

(1) On appeal, the determination not to certify an admission, a service, or a procedure as necessary or appropriate must be made by a health care provider licensed in the same discipline as the provider of record.

(2) The determination of the appeal of a utilization review determination not to certify an admission, service, or procedure must be completed within thirty (30) days after:

(A) the appeal is filed; and

(B) all information necessary to complete the appeal is received.

(c) A utilization review agent shall provide an expedited appeals process for emergency or life threatening situations. The determination of an expedited appeal under the process required by this subsection shall be made by a physician and completed within forty-eight (48) hours after:

(1) the appeal is initiated; and

(2) all information necessary to complete the appeal is received by the utilization review agent.

(d) If an enrollee is covered under an accident and sickness insurance policy (as defined in IC 27-8-28-1) or a contract issued by a health maintenance organization (as defined in IC 27-13-1-19), the enrollee's exclusive right to appeal a utilization review determination is provided under IC 27-8-28 or IC 27-13-10, respectively.

(e) A utilization review agent shall make available upon request a written description of the appeals procedure that an enrollee or provider of record may use to obtain a review of a utilization review determination by the utilization review agent.

SECTION 113. IC 27-8-28-2, AS ADDED BY P.L.66-2001, SECTION 2, AND AS ADDED BY P.L.203-2001, SECTION 13, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "commissioner" refers to the *commissioner of the department of insurance*; *insurance commissioner appointed under IC 27-1-1-2*.

SECTION 114. IC 27-8-28-6, AS ADDED BY P.L.66-2001, SECTION 2, AND AS ADDED BY P.L.203-2001, SECTION 13, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. As used in this chapter, "grievance" means any dissatisfaction expressed by or on behalf of a covered individual regarding:

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- (1) a determination that a *service or* proposed service is not appropriate or medically necessary;
- (2) a determination that a *service or* proposed service is experimental or investigational;
- (3) the availability of participating providers;
- (4) the handling or payment of claims for health care services; or
- (5) matters pertaining to the contractual relationship between:
 - (A) a covered individual and an insurer; or
 - (B) a group policyholder and an insurer;

and for which the covered individual has a reasonable expectation that action will be taken to resolve or reconsider the matter that is the subject of dissatisfaction.

SECTION 115. IC 27-8-28-16, AS ADDED BY P.L.66-2001, SECTION 2, AND AS ADDED BY P.L.203-2001, SECTION 13, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) An insurer shall establish written policies and procedures for the timely resolution of grievances filed under this chapter. The policies and procedures must include the following:

- (1) An acknowledgment of the grievance, **given** orally or in writing, to the covered individual within five (5) business days after receipt of the grievance.
- (2) Documentation of the substance of the grievance and any actions taken.
- (3) An investigation of the substance of the grievance, including any aspects involving clinical care.
- (4) Notification to the covered individual of the disposition of the grievance and the right to appeal.
- (5) Standards for timeliness in:
 - (A) responding to grievances; and
 - (B) providing notice to covered individuals of:
 - (i) the disposition of the grievance; and
 - (ii) the right to appeal;

that accommodate the clinical urgency of the situation.

(b) An insurer shall appoint at least one (1) individual to resolve a grievance.

(c) A grievance must be resolved as expeditiously as possible, but not more than twenty (20) business days after ~~receiving~~ *the insurer receives* all information reasonably necessary to complete the review. If an insurer is unable to make a decision regarding the grievance within the twenty (20) day period due to circumstances beyond the insurer's control, the insurer shall:

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- (1) ~~notify~~, before the twentieth business day, *notify* the covered individual in writing of the reason for the delay; and
- (2) issue a written decision regarding the grievance within an additional ten (10) business days.

(d) An insurer shall notify a covered individual in writing of the resolution of a grievance within five (5) business days after completing an investigation. The grievance resolution notice must include the following:

- (1) *A statement of* the decision reached by the insurer.
- (2) *A statement of* the reasons, policies, and procedures that are the basis of the decision.
- (3) Notice of the covered individual's right to appeal the decision.
- (4) The department, address, and telephone number through which a covered individual may contact a qualified representative to obtain additional information about the decision or the right to appeal.

SECTION 116. IC 27-8-28-17, AS ADDED BY P.L.66-2001, SECTION 2, AND AS ADDED BY P.L.203-2001, SECTION 13, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) An insurer shall establish written policies and procedures for the timely resolution of appeals of grievance decisions. The procedures for registering and responding to oral and written appeals of grievance decisions must include the following:

- (1) Written or oral acknowledgment of the appeal not more than five (5) business days after the appeal is filed.
- (2) Documentation of the substance of the appeal and the actions taken.
- (3) Investigation of the substance of the appeal, including any aspects of clinical care involved.
- (4) Notification to the covered individual:
 - (A) of the disposition of an appeal; and
 - (B) that the covered individual may have the right to further remedies allowed by law.
- (5) Standards for timeliness in:
 - (A) responding to an appeal; and
 - (B) providing notice to covered individuals of:
 - (i) the disposition of an appeal; and
 - (ii) the right to initiate an external grievance review under IC 27-8-29;

that accommodate the clinical urgency of the situation.

- (b) In the case of an appeal of a grievance decision described in

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section 6(1) or 6(2) of this chapter, an insurer shall appoint a panel of one (1) or more qualified individuals to resolve an appeal. The panel must include one (1) or more individuals who:

- (1) have knowledge ~~in~~ of the medical condition, procedure, or treatment at issue;
 - (2) are licensed in the same profession and have a similar specialty as the provider who proposed or delivered the health care procedure, treatment, or service;
 - (3) are not involved in the matter giving rise to the appeal or in the initial investigation of the grievance; and
 - (4) do not have a direct business relationship with the covered individual or the health care provider who previously recommended the health care procedure, treatment, or service giving rise to the grievance.
- (c) An appeal of a grievance decision must be resolved:
- (1) as expeditiously as possible, reflecting the clinical urgency of the situation; ~~However, an appeal must be resolved and~~
 - (2) ~~in any case,~~ not later than forty-five (45) days after the appeal is filed.
- (d) An insurer shall allow a covered individual the opportunity to:
- (1) appear in person before; or
 - (2) if unable to appear in person, otherwise appropriately communicate with;

the panel appointed under subsection (b).

(e) An insurer shall notify a covered individual in writing of the resolution of an appeal of a grievance decision within five (5) business days after completing the investigation. The appeal resolution notice must include the following:

- (1) *A statement of* the decision reached by the insurer.
- (2) *A statement of* the reasons, policies, and procedures that are the basis of the decision.
- (3) Notice of the covered individual's right to further remedies allowed by law, including the right to external grievance review by an independent review organization under IC 27-8-29.
- (4) The department, address, and telephone number through which a covered individual may contact a qualified representative to obtain more information about the decision or the right to an external grievance review.

SECTION 117. IC 27-8-29-3, AS ADDED BY P.L.66-2001, SECTION 3, AND AS ADDED BY P.L.203-2001, SECTION 14, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter,

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"commissioner" refers to the ~~commissioner of the department of insurance~~; insurance commissioner appointed under IC 27-1-1-2.

SECTION 118. IC 27-8-29-13, AS ADDED BY P.L.66-2001, SECTION 3, AND AS ADDED BY P.L.203-2001, SECTION 14, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) An external grievance procedure established under section 12 of this chapter must:

- (1) allow a covered individual or a covered individual's representative to file a written request with the insurer for an external grievance review of the insurer's appeal resolution under IC 27-8-28-17 not more than forty-five (45) days after the covered individual is notified of the resolution; and
- (2) provide for:
 - (A) an expedited external grievance review for a grievance related to an illness, a disease, a condition, an injury, or a disability if the time frame for a standard review would seriously jeopardize the covered individual's:
 - (i) life or health; or
 - (ii) ability to reach and maintain maximum function; or
 - (B) a standard external grievance review for a grievance not described in clause (A).

A covered individual may file not more than one (1) external grievance of an insurer's appeal resolution under this chapter.

(b) Subject to the requirements of subsection (d), when a request is filed under subsection (a), the insurer shall:

- (1) select a different independent review organization for each external grievance filed under this chapter from the list of independent review organizations that are certified by the department under section 19 of this chapter; and
- (2) rotate the choice of an independent review organization among all certified independent review organizations before repeating a selection.

(c) The independent review organization chosen under subsection (b) shall assign a medical review professional who is board certified in the applicable specialty for resolution of an external grievance.

(d) The independent review organization and the medical review professional conducting the external review under this chapter may not have a material professional, familial, financial, or other affiliation with any of the following:

- (1) The insurer.
- (2) Any officer, director, or management employee of the insurer.
- (3) The health care provider or the health care provider's medical



group that is proposing the service.

(4) The facility at which the service would be provided.

(5) The development or manufacture of the principal drug, device, procedure, or other therapy that is proposed *for use* by the treating health care provider.

(6) The covered individual requesting the external grievance review.

However, the medical review professional may have an affiliation under which the medical review professional provides health care services to covered individuals of the insurer and may have an affiliation that is limited to staff privileges at the health facility, if the affiliation is disclosed to the covered individual and the insurer before commencing the review and neither the covered individual nor the insurer objects.

(e) A covered individual may be required to pay not more than twenty-five dollars (\$25) of the costs associated with the services of an independent review organization under this chapter. All additional costs must be paid by the insurer.

SECTION 119. IC 27-8-29-14, AS ADDED BY P.L.66-2001, SECTION 3, AND AS ADDED BY P.L.203-2001, SECTION 14, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) A covered individual who files an external grievance under this chapter: ~~shall:~~

(1) ~~shall~~ not be subject to retaliation for exercising the covered individual's right to an external grievance under this chapter;

(2) ~~shall~~ be permitted to utilize the assistance of other individuals, including health care providers, attorneys, friends, and family members throughout the review process;

(3) ~~shall~~ be permitted to submit additional information relating to the proposed service throughout the review process; and

(4) ~~shall~~ cooperate with the independent review organization by:

(A) providing any requested medical information; or

(B) authorizing the release of necessary medical information.

(b) An insurer shall cooperate with an independent review organization selected under section 13(b) of this chapter by promptly providing any information requested by the independent review organization.

SECTION 120. IC 27-8-29-17, AS ADDED BY P.L.66-2001, SECTION 3, AND AS ADDED BY P.L.203-2001, SECTION 14, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) If, at any time during an external review performed under this chapter, the covered individual

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submits information to the insurer that is relevant to the insurer's resolution of *the covered individual's appeal of a grievance* decision under IC 27-8-28-17 and *that* was not considered by the insurer under IC 27-8-28:

(1) the insurer may reconsider the resolution under IC 27-8-28-17; and

(2) if the insurer chooses to reconsider, the independent review organization shall cease the external review process until the reconsideration under subsection (b) is completed.

(b) ~~If the~~ An insurer ~~reconsiders under subsection (a)(1); an insurer to which information is submitted~~ reconsidering the resolution of an appeal of a grievance decision due to the submission of information under subsection (a) shall reconsider the resolution under IC 27-8-28-17 based on the information and notify the covered individual of the insurer's decision:

(1) within seventy-two (72) hours after the information is submitted, for a reconsideration related to an illness, a disease, a condition, an injury, or a disability that would seriously jeopardize the covered individual's:

(A) life or health; or

(B) ability to reach and maintain maximum function; or

(2) within fifteen (15) days after the information is submitted, for a reconsideration not described in subdivision (1).

(c) If ~~a~~ the decision reached under subsection (b) is adverse to the covered individual, the covered individual may request that the independent review organization resume the external review under this chapter.

(d) If an insurer to which information is submitted under subsection (a) chooses not to reconsider the insurer's resolution under IC 27-8-28-17, the insurer shall forward the submitted information to the independent review organization ~~within not more than~~ two (2) business days after the insurer's receipt of the information.

SECTION 121. IC 27-8-29-19, AS ADDED BY P.L.66-2001, SECTION 3, AND AS ADDED BY P.L.203-2001, SECTION 14, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) The department shall establish and maintain a process for annual certification of independent review organizations.

(b) The department shall certify a number of independent review organizations determined by the department to be sufficient to fulfill the purposes of this chapter.

(c) An independent review organization must meet the following

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minimum requirements for certification by the department:

(1) Medical review professionals assigned by the independent review organization to perform external grievance reviews under this chapter:

(A) must be board certified in the specialty in which a covered individual's proposed service would be provided;

(B) must be knowledgeable about a proposed service through actual clinical experience;

(C) must hold an unlimited license to practice in a state of the United States; and

(D) must not have any history of disciplinary actions or sanctions, including:

(i) loss of staff privileges; or

(ii) restriction on participation;

taken or pending by any hospital, government, or regulatory body.

(2) The independent review organization must have a quality assurance mechanism to ensure: ~~the~~

(A) ~~the~~ timeliness and quality of reviews;

(B) ~~the~~ qualifications and independence of medical review professionals;

(C) ~~the~~ confidentiality of medical records and other review materials; and

(D) ~~the~~ satisfaction of covered individuals with the procedures utilized by the independent review organization, including the use of covered individual satisfaction surveys.

(3) The independent review organization must file with the department the following information on or before March 1 of each year:

(A) The number and percentage of determinations made in favor of covered individuals.

(B) The number and percentage of determinations made in favor of insurers.

(C) The average time to process a determination.

(D) Any other information required by the department.

The information required under this subdivision must be specified for each insurer for which the independent review organization performed reviews during the reporting year.

(4) Any additional requirements established by the department.

(d) The department may not certify an independent review organization that is one (1) of the following:

(1) A professional or trade association of health care providers or

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a subsidiary or an affiliate of a professional or trade association of health care providers.

(2) An insurer, a health maintenance organization, or a health plan association, or a subsidiary or an affiliate of an insurer, health maintenance organization, or health plan association.

(e) The department may suspend or revoke an independent review organization's certification if the department finds that the independent review organization is not in substantial compliance with the certification requirements under this section.

(f) The department shall make available to insurers a list of all certified independent review organizations.

(g) The department shall make the information provided to the department under subsection (c)(3) available to the public in a format that does not identify individual covered individuals.

SECTION 122. IC 27-8-29-21, AS ADDED BY P.L.66-2001, SECTION 3, AND AS ADDED BY P.L.203-2001, SECTION 14, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. (a) An insurer shall each year file with the commissioner a description of the grievance procedure ~~of established by~~ the insurer ~~established~~ under this chapter, including:

- (1) the total number of external grievances handled through the procedure during the preceding calendar year;
- (2) a compilation of the causes underlying those grievances; and
- (3) a summary of the final disposition of those grievances;

for each independent review organization used by the insurer during the reporting year.

(b) The information required by subsection (a) must be filed with the commissioner on or before March 1 of each year. The commissioner shall:

- (1) make the information required to be filed under this section available to the public; and
- (2) prepare an annual compilation of the data required under subsection (a) that allows for comparative analysis.

(c) The commissioner may require any additional reports ~~as~~ that are necessary and appropriate for the commissioner to carry out the commissioner's duties under this article.

SECTION 123. IC 27-13-9-5, AS ADDED BY P.L.230-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This section applies to a health maintenance organization that provides coverage for prescription drugs or devices and issues a card or other technology for claims processing.

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(b) The card or other technology issued by a health maintenance organization must contain uniform prescription drug information that complies with the requirements established under subsection (c).

(c) Prescription drug information cards or other technology must meet either of the following criteria:

(1) Be in a format and contain information fields approved by the National Council for Prescription Drug Programs (NCPDP) as contained in the National Council for Prescription Drug Programs Pharmacy ID Card Implementation Guide in effect on the October 1 most immediately preceding the issuance of the card.

(2) Contain the following information:

(A) The health benefit plan's name.

(B) The enrollee's name, group number, and identification number.

(C) A telephone number to inquire about pharmacy related issues.

(D) The issuer's international identification number or ANSI BIN number, labeled as RxBIN.

(E) The processor control number, labeled as RxPCN.

(F) The insured's pharmacy benefits group number if different than medical group number, labeled as RxGRP.

~~(3)~~ Only those fields listed in ~~(A) through (F)~~ **above clauses (A) through (F)** that are required for proper adjudication of the claim must appear on the card. If the card is used to adjudicate non-pharmacy claims, then the designation "Rx" listed in ~~the fields (D) through (F)~~ **clauses (D) through (F)** is not required to be ~~utilized~~ **used** by the issuer.

(d) A health maintenance organization may not be required to issue a prescription drug information card or other technology to a person more than one (1) time during a twelve (12) month period.

(e) The prescription drug information cards or other technology issued under this section may be used for health care service coverage other than the coverage to which this chapter applies.

SECTION 124. IC 29-1-14-8, AS AMENDED BY P.L.252-2001, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. If a contingent claim shall have been filed and allowed against an estate, and all the assets of the estate including the fund, if any, set apart for the payment thereof, shall have been distributed, and the claim shall thereafter become absolute, the creditor shall have the right to recover thereon in the court having probate jurisdiction against those distributees whose distributive shares have been increased by reason of the fact that the amount of said claim as

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finally determined was not paid out prior to final distribution, provided an action therefor shall be commenced within three (3) months after the claim becomes absolute. Such distributees shall be jointly and severally liable, but no distributee shall be liable for an amount exceeding the amount of the estate or fund so distributed to him. If more than one (1) distributee is liable to the creditor, the distributee shall make all distributees who can be reached by process parties to the action. By its judgment the court shall determine the amount of the liability of each of the defendants as between themselves, but if any be insolvent or unable to pay his proportion, or beyond the reach of process, the others, to the extent of their respective liabilities, shall nevertheless be liable to the creditor for the whole amount of the debt. If any person liable for the debt fails to pay the person's just proportion to the creditor, the person shall be liable to indemnify all who, by reason of such failure on the ~~persons's~~ **person's** part, have paid more than their just proportion of the debt, the indemnity to be recovered in the same action or in separate actions.

SECTION 125. IC 29-1-16-6, AS AMENDED BY P.L.252-2001, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. **(a)** Upon the filing of any account in a decedent's estate, hearing and notice thereof shall be had as ~~follows:~~ **set forth in this section.**

~~(a)~~ **(b)** If the account is for final settlement the court or clerk shall set a date by which all objections to such final account and petition for distribution must be filed in writing and the clerk shall give notice to all persons entitled to share in the final distribution of said estate that a final report has been filed and will be acted upon by the court on the date set unless written objections are presented to the court on or before that date. The personal representative shall at the time said account is filed furnish to the clerk the names and addresses of all persons entitled to share in the distribution of the residue of said estate, whose names and addresses are known to the personal representative or may by reasonable diligence be ascertained as set forth in the personal representative's petition for distribution, together with sufficient copies of said notice prepared for mailing. The clerk shall send a copy of said notice by ordinary mail to each of said parties at least fourteen (14) days prior to such date. Said parties or their attorney of record may waive the service by mail of this notice and where there is an attorney of record, service upon said attorney shall be sufficient as to the parties represented by said attorney. Neither a notice nor a hearing is required if all persons entitled to share in the final distribution of the estate waive the service of notice by mail and

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consent to the final account and petition for distribution without a hearing.

~~(b)~~ (c) If a person entitled to share in the distribution of the residue of the estate is unknown or cannot be located, the personal representative may give notice by one (1) publication in a newspaper of general circulation, published in the county in which the administration is pending. The deadline for filing an objection is fourteen (14) days before the hearing date. The notice shall state that objections to the final account and petition for distribution must be filed in writing before the hearing date.

~~(c)~~ (d) If the account is intermediate, but the personal representative has therein petitioned the court that said account be made final as to the matters and things reported in said account, the same procedure as to hearing and notice shall be followed as in the case of a final account.

~~(d)~~ (e) If the account is intermediate and the personal representative makes no request that said account may be made final as to the matters and things reported in said account, the court may order such notice as the court deems necessary or approve the same ex parte and without notice. Every such intermediate account approved without notice shall be subject to review by the court at any time and shall not become final until the personal representative's account in final settlement is approved by the court.

SECTION 126. IC 31-19-11-1, AS AMENDED BY P.L.200-1999, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Whenever the court has heard the evidence and finds that:

- (1) the adoption requested is in the best interest of the child;
- (2) the petitioner or petitioners for adoption are of sufficient ability to rear the child and furnish suitable support and education;
- (3) the report of the investigation and recommendation under IC 31-19-8-5 has been filed;
- (4) the attorney or agency arranging an adoption has filed with the court an affidavit prepared by the state department of health under IC 31-19-5-16 indicating whether a man is entitled to notice of the adoption because the man has registered with the putative father registry in accordance with IC 31-19-5;
- (5) proper notice arising under subdivision (4), if notice is necessary, of the adoption has been given;
- (6) the attorney or agency has filed with the court an affidavit prepared by the state department of health under:
 - (A) IC 31-19-6 indicating whether a record of a paternity



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determination; or
 (B) IC 16-37-2-2(g) indicating whether a paternity affidavit executed under IC 16-37-2-2.1; has been filed in relation to the child;
 (7) proper consent, if consent is necessary, to the adoption has been given; and
 (8) the petitioner for adoption is not prohibited from adopting the child as the result of an inappropriate criminal history described in subsection (c);
 the court shall grant the petition for adoption and enter an adoption decree.

(b) A court may not grant an adoption unless the department's affidavit under IC 31-19-5-16 is filed with the court as provided under subsection (a)(4).

(c) A conviction of a felony or a misdemeanor related to the health and safety of a child by a petitioner for adoption is a permissible basis for the court to deny the petition for adoption. In addition, the court may not grant an adoption if a petitioner for adoption has been convicted of any of the felonies described as follows:

- (1) Murder (IC 35-42-1-1).
- (2) Causing suicide (IC 35-42-1-2).
- (3) Assisting suicide (IC 35-42-1-2.5).
- (4) Voluntary manslaughter (IC 35-42-1-3).
- (5) Reckless homicide (IC 35-42-1-5).
- (6) Battery as a felony (IC 35-42-2-1).
- (7) Aggravated battery (IC 35-42-2-1.5).
- (8) Kidnapping (IC 35-42-3-2).
- (9) Criminal confinement (IC 35-42-3-3).
- (10) A felony sex offense under IC 35-42-4.
- (11) Carjacking (IC 35-42-5-2).
- (12) Arson (IC 35-43-1-1).
- (13) Incest (IC 35-46-1-3).
- (14) Neglect of a dependent (IC 35-46-1-4(a)(1) and IC 35-46-1-4(a)(2)).
- (15) Child selling (~~IC 35-46-1-4(b)~~); **(IC 35-46-1-4(d))**.
- (16) A felony involving a weapon under IC 35-47.
- (17) A felony relating to controlled substances under IC 35-48-4.
- (18) An offense relating to material or a performance that is harmful to minors or obscene under IC 35-49-3.
- (19) A felony that is substantially equivalent to a felony listed in subdivisions (1) through (18) for which the conviction was entered in another state.

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However, the court is not prohibited from granting an adoption based upon a felony conviction under subdivision (6), (11), (12), (16), or (17), or its equivalent under subdivision (19), if the offense was not committed within the immediately preceding five (5) year period.

SECTION 127. IC 31-37-6-6, AS AMENDED BY P.L.217-2001, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The juvenile court shall release the child on the child's own recognizance or to the child's parent, guardian, or custodian upon the person's written promise to bring the child before the court at a time specified. However, the court may order the child detained if the court finds probable cause to believe the child is a delinquent child and that:

- (1) the child is unlikely to appear for subsequent proceedings;
- (2) detention is essential to protect the child or the community;
- (3) the parent, guardian, or custodian:
 - (A) cannot be located; or
 - (B) is unable or unwilling to take custody of the child;
- (4) return of the child to the child's home is or would be:
 - (A) contrary to the best interests and welfare of the child; and
 - (B) harmful to the safety or health of the child; or
- (5) the child has a reasonable basis for requesting that the child not be released.

However, the findings under this subsection are not required if the child is ordered to be detained in the home of the child's parent, guardian, or custodian or is released subject to any condition listed in subsection (d).

(b) If a child is detained for a reason specified in subsection (a)(3), (a)(4), or (a)(5), the child shall be detained under IC 31-37-7-1.

(c) If a child is detained for a reason specified in subsection (a)(4), the court shall make written findings and conclusions that include the following:

- (1) The factual basis for the finding specified in subsection (a)(4).
- (2) A description of the family services available and efforts made to provide family services before removal of the child.
- (3) The reasons why ~~effort~~ **efforts** made to provide family services did not prevent removal of the child.
- (4) Whether efforts made to prevent removal of the child were reasonable.

(d) Whenever the court releases a child under this section, the court may impose conditions upon the child, including:

- (1) home detention;
- (2) electronic monitoring;



- (3) a curfew restriction;
- (4) a protective order;
- (5) a no contact order;
- (6) an order to comply with Indiana law; or
- (7) an order placing any other reasonable conditions on the child's actions or behavior.

SECTION 128. IC 32-8-15.5-3, AS ADDED BY P.L.207-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "mortgage servicer" means the last person to whom a mortgagor or the mortgagor's successor in interest has been instructed by a mortgagee to send payments on a loan secured by a mortgage. A person transmitting a payoff statement is the mortgage ~~service~~ **servicer** for the mortgage described in the payoff statement.

SECTION 129. IC 32-8-15.5-10, AS ADDED BY P.L.207-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. A certificate of release executed under this chapter must contain substantially all of the following:

- (1) The name of the mortgagor, the name of the original mortgagee and, if applicable, the name of the mortgage ~~service~~ **servicer**, the date of the mortgage, the date of recording of the mortgage, and the volume and page or instrument number for the mortgage in the real property records where the mortgage is recorded, together with similar information for the last recorded assignment of the mortgage.
- (2) A statement that the mortgage was in the original principal amount of not more than one million dollars (\$1,000,000).
- (3) A statement that the person executing the certificate of release is an officer or a duly appointed agent of a title insurance company authorized and licensed to transact the business of insuring titles to interests in real property in Indiana under IC 27.
- (4) A statement that the certificate of release is made on behalf of the mortgagor or a person who acquired a lien from the mortgagor against all or part of the property described in the mortgage.
- (5) A statement that the mortgagee or mortgage ~~service~~ **servicer** provided a payoff statement that was used to make payment in full of the unpaid balance of the loan secured by the mortgage.
- (6) A statement that payment in full of the unpaid balance of the loan secured by the mortgage was made in accordance with the written or verbal payoff statement, and received by the mortgagee or mortgage servicer, as evidenced in the records of the title insurance company or its agents by:

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- (A) a bank check;
 - (B) a certified check;
 - (C) an escrow account check from the title company or title insurance agent;
 - (D) an attorney trust account check that has been negotiated by the mortgagee or mortgage servicer; or
 - (E) any other documentary evidence of payment to the mortgagee or mortgage servicer.
- (7) A statement indicating that more than sixty (60) days have elapsed since the date payment in full was sent.
- (8) A statement that after the expiration of the sixty (60) day period in section 9 of this chapter, the title insurance company, its officers, or its agent sent to the last known address of the mortgagee or mortgage servicer, at least thirty (30) days before executing the certificate of release, notice in writing of its intention to execute and record a certificate of release as required under this section, with an unexecuted copy of the proposed certificate of release attached to the written notice.
- (9) A statement that neither the title insurance company nor its officers or agent have received notification in writing of any reason why the certificate of release should not be executed and recorded after the expiration of the thirty (30) day notice period in section 9 of this chapter.

SECTION 130. IC 32-13-1-8, AS AMENDED BY P.L.54-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) A person may not use an aspect of a personality's right of publicity for a commercial purpose during the personality's lifetime or for one hundred (100) years after the date of the personality's death without having obtained previous written consent from a person specified in section 17 of this chapter.

(b) A written consent solicited by or negotiated by an athlete agent (as defined in ~~IC 25-5.2-1-1~~) **IC 25-5.2-1-2**) from a student athlete (as defined in ~~IC 25-5.2-1-1~~) **IC 25-5.2-1-2**) is void if the athlete agent obtained the consent as the result of an agency contract that:

- (1) was void under IC 25-5.2-2-2 or under the law of the state where the agency contract was entered into;
- (2) was voided by the student athlete under IC 25-5.2-2-8 or a similar law in the state where the agency contract was entered into; or
- (3) was entered into without the notice required under IC 35-46-4-4 or a similar law in the state where the agency contract was entered into.



(c) A written consent for an endorsement contract (as defined in IC 35-46-4-1.5) is void if notice is not given as required by IC 35-46-4-4 or a similar law where the endorsement contract is entered into.

SECTION 131. IC 33-3-5-2.5, AS ADDED BY P.L.151-2001, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) As used in this section, "qualifying county" means a county having a population of more than four hundred thousand (400,000) and less than seven hundred thousand (700,000).

(b) As used in this section, "contractor" means the general reassessment contractor of the ~~state board of tax commissioners~~ **department of local government finance** under IC 6-1.1-4-32.

(c) Upon petition from:

- (1) the ~~state board of tax commissioners;~~ **department of local government finance;** or
- (2) the contractor;

the tax court may order a township assessor in a qualifying county or a county assessor of a qualifying county to produce information requested in writing from the township assessor or county assessor by the ~~state board of tax commissioners~~ **department of local government finance** or the contractor.

(d) If the tax court orders a township assessor or county assessor to provide requested information as described in subsection ~~(b);~~ **(c)**, the tax court shall order production of the information not later than fourteen (14) days after the date of the tax court's order.

(e) The tax court may find that any willful violation of this section by a township assessor or county assessor constitutes a direct contempt of the tax court.

SECTION 132. IC 33-19-4.5-10, AS ADDED BY P.L.280-2001, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. Prepayment of costs described in section 9 of this chapter ~~are is~~ not required if the person, or a person acting on the person's behalf, alleges under oath or affirmation in the motion, petition, or complaint seeking the protective order or order enforcing a foreign protection order that the person is or fears that the person will be a victim of dating violence, domestic violence, sexual assault, or stalking.

SECTION 133. IC 33-19-5-1, AS AMENDED BY P.L.183-2001, SECTION 4, AND AS AMENDED BY P.L.280-2001, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) For each action that results in a felony conviction under IC 35-50-2 or a misdemeanor conviction under

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IC 35-50-3, the clerk shall collect from the defendant a criminal costs fee of one hundred twenty dollars (\$120).

(b) In addition to the criminal costs fee collected under this section, the clerk shall collect from the defendant the following fees if they are required under IC 33-19-6:

- (1) A document fee.
- (2) A marijuana eradication program fee.
- (3) An alcohol and drug services program user fee.
- (4) A law enforcement continuing education program fee.
- (5) A drug abuse, prosecution, interdiction, and correction fee.
- (6) An alcohol and drug countermeasures fee.
- (7) A child abuse prevention fee.
- (8) A domestic violence prevention and treatment fee.
- (9) A highway work zone fee.
- (10) A deferred prosecution fee (IC 33-19-6-16.2).
- ~~(11) A judicial salaries fee (IC 33-19-6-18).~~
- ~~(12)~~ **(11)** A document storage fee (IC 33-19-6-18.1).
- ~~(13)~~ **(12)** An automated record keeping fee (IC 33-19-6-19).
- ~~(14)~~ **(13)** A late payment fee (IC 33-19-6-20).
- ~~(15)~~ **(14)** A sexual assault victims assistance fee (IC 33-19-6-21).

(c) Instead of the criminal costs fee prescribed by this section, the clerk shall collect a pretrial diversion program fee if an agreement between the prosecuting attorney and the accused person entered into under IC 33-14-1-7 requires payment of those fees by the accused person. The pretrial diversion program fee is:

- (1) an initial user's fee of fifty dollars (\$50); and
- (2) a monthly user's fee of ten dollars (\$10) for each month that the person remains in the pretrial diversion program.

(d) The clerk shall transfer to the county auditor or city or town fiscal officer the following fees, within thirty (30) days after they are collected, for deposit by the auditor or fiscal officer in the appropriate user fee fund established under IC 33-19-8:

- (1) The pretrial diversion fee.
- (2) The marijuana eradication program fee.
- (3) The alcohol and drug services program user fee.
- (4) The law enforcement continuing education program fee.

(e) Unless otherwise directed by a court, if a clerk collects only part of a criminal costs fee from a defendant under this section, the clerk shall distribute the partial payment of the criminal costs fee as follows:

- (1) First, the clerk shall apply the partial payment to general court costs.
- (2) Second, if there is money remaining after the partial payment

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is applied to general court costs under subdivision (1), the clerk shall distribute the partial payment for deposit in the appropriate county user fee fund.

(3) Third, if there is money remaining after distribution under subdivision (2), the clerk shall distribute the partial payment for deposit in the state user fee fund.

(4) Fourth, if there is money remaining after distribution under subdivision (3), the clerk shall distribute the partial payment to any other applicable user fee fund.

(5) Fifth, if there is money remaining after distribution under subdivision (4), the clerk shall apply the partial payment to any outstanding fines owed by the defendant.

SECTION 134. IC 33-19-5-2, AS AMENDED BY P.L.1-2001, SECTION 35, AS AMENDED BY P.L.183-2001, SECTION 5, AND AS AMENDED BY P.L.280-2001, SECTION 19, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in subsections (d) and (e), for each action that results in a judgment:

- (1) for a violation constituting an infraction; or
- (2) for a violation of an ordinance of a municipal corporation (as defined in IC 36-1-2-10);

the clerk shall collect from the defendant an infraction or ordinance violation costs fee of seventy dollars (\$70).

(b) In addition to the infraction or ordinance violation costs fee collected under this section, the clerk shall collect from the defendant the following fees if they are required under IC 33-19-6:

- (1) A document fee (*IC 33-19-6-1, IC 33-19-6-2, IC 33-19-6-3*).
- (2) An alcohol and drug services program user fee (*IC 33-19-6-7(b)*).
- (3) A law enforcement continuing education program fee (*IC 33-19-6-7(c)*).
- (4) An alcohol and drug countermeasures fee (*IC 33-19-6-10*).
- (5) A highway work zone fee (*IC 33-19-6-14*).
- (6) A deferred prosecution fee (*IC 33-19-6-16.2*).
- (7) A jury fee (*IC 33-19-6-17*).
- ~~(7) A judicial salaries fee (*IC 33-19-6-18*).~~
- ~~(8) A document storage fee (*IC 33-19-6-18.1*).~~
- ~~(9) An automated record keeping fee (*IC 33-19-6-19*).~~
- ~~(10) A late payment fee (*IC 33-19-6-20*).~~

(c) The clerk shall transfer to the county auditor or fiscal officer of the municipal corporation the following fees, within thirty (30) days after they are collected, for deposit by the auditor or fiscal officer in the

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user fee fund established under IC 33-19-8:

- (1) The alcohol and drug services program user fee.
- (2) The law enforcement continuing education program fee.
- (3) The deferral program fee.

(d) The defendant is not liable for any ordinance violation costs fee in an action in which:

- (1) the defendant was charged with an ordinance violation subject to IC 33-6-3;
- (2) the defendant denied the violation under IC 33-6-3-2;
- (3) proceedings in court against the defendant were initiated under IC 34-28-5 (or IC 34-4-32 before its repeal); and
- (4) the defendant was tried and the court entered judgment for the defendant for the violation.

(e) Instead of the infraction or ordinance violation costs fee prescribed by subsection (a), the clerk shall collect a deferral program fee if an agreement between a prosecuting attorney or an attorney for a municipal corporation and the person charged with a violation entered into under IC 34-28-5-1 (or IC 34-4-32-1 before its repeal) requires payment of those fees by the person charged with the violation. The deferral program fee is:

- (1) an initial user's fee not to exceed fifty-two dollars (\$52); and
- (2) a monthly user's fee not to exceed ten dollars (\$10) for each month the person remains in the deferral program.

SECTION 135. IC 33-19-5-3, AS AMENDED BY P.L.183-2001, SECTION 6, AND AS AMENDED BY P.L.280-2001, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) For each action filed under:

- (1) IC 31-34 or IC 31-37 (delinquent children and children in need of services); or
- (2) IC 31-14 (paternity);

the clerk shall collect a juvenile costs fee of one hundred twenty dollars (\$120).

(b) In addition to the juvenile costs fee collected under this section, the clerk shall collect the following fees if they are required under IC 33-19-6:

- (1) A document fee.
- (2) A marijuana eradication program fee.
- (3) An alcohol and drug services program user fee.
- (4) A law enforcement continuing education program fee.
- (5) An alcohol and drug countermeasures fee.
- ~~(6) A judicial salaries fee (IC 33-19-6-18).~~
- ~~(7)~~ (6) A document storage fee (IC 33-19-6-18.1).



~~(8)~~ (7) An automated record keeping fee (IC 33-19-6-19).

~~(9)~~ (8) A late payment fee (IC 33-19-6-20).

(c) The clerk shall transfer to the county auditor or city or town fiscal officer the following fees, within thirty (30) days after they are collected, for deposit by the auditor or fiscal officer in the appropriate user fee fund established under IC 33-19-8:

- (1) The marijuana eradication program fee.
- (2) The alcohol and drug services program user fee.
- (3) The law enforcement continuing education program fee.

SECTION 136. IC 33-19-5-4, AS AMENDED BY P.L.183-2001, SECTION 7, AND AS AMENDED BY P.L.280-2001, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) For each civil action except:

- (1) proceedings to enforce a statute defining an infraction under IC 34-28-5-4 (or IC 34-4-32-4 before its repeal);
- (2) proceedings to enforce an ordinance under IC 34-28-5-4 (or IC 34-4-32-4 before its repeal);
- (3) proceedings in juvenile court under IC 31-34 or IC 31-37;
- (4) proceedings in paternity under IC 31-14;
- (5) proceedings in small claims court under IC 33-11.6; and
- (6) proceedings in actions under section 6 of this chapter;

the clerk shall collect from the party filing the action a civil costs fee of one hundred dollars (\$100).

(b) In addition to the civil costs fee collected under this section, the clerk shall collect the following fees if they are required under IC 33-19-6:

- (1) A document fee.
- (2) A support and maintenance fee.
- ~~(3) A judicial salaries fee (IC 33-19-6-18).~~
- ~~(4)~~ (3) A document storage fee (IC 33-19-6-18.1).
- ~~(5)~~ (4) An automated record keeping fee (IC 33-19-6-19).

SECTION 137. IC 33-19-5-5, AS AMENDED BY P.L.183-2001, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) For each small claims action the clerk shall collect from the party filing the action a small claims costs fee of thirty-five dollars (\$35).

(b) In addition to a small claims costs fee collected under this section, the clerk shall collect the following fees if they are required under IC 33-19-6:

- (1) A document fee.
- ~~(2) A judicial salaries fee (IC 33-19-6-18).~~
- ~~(3)~~ (2) A document storage fee ~~(IC 33-9-6-18.1).~~



(IC 33-19-6-18.1).

~~(4)~~ **(3)** An automated record keeping fee (IC 33-19-6-19).

SECTION 138. IC 33-19-5-6, AS AMENDED BY P.L.183-2001, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Except as provided under subsection (c), for each action filed under:

- (1) IC 6-4.1-5 (determination of inheritance tax);
- (2) IC 29 (probate); and
- (3) IC 30 (trusts and fiduciaries);

the clerk shall collect from the party filing the action a probate costs fee of one hundred twenty dollars (\$120).

(b) In addition to the probate costs fee collected under this section, the clerk shall collect from the party filing the action the following fees if they are required under IC 33-19-6:

- (1) A document fee.
- ~~(2) A judicial salaries fee (IC 33-19-6-18).~~
- ~~(3)~~ **(2)** A document storage fee (IC 33-19-6-18.1).
- ~~(4)~~ **(3)** An automated record keeping fee (IC 33-19-6-19).

(c) A clerk may not collect a court costs fee for the filing of the following exempted actions:

- (1) Petition to open a safety deposit box.
- (2) Filing an inheritance tax return, unless proceedings other than the court's approval of the return become necessary.
- (3) Offering a will for probate under IC 29-1-7, unless proceedings other than admitting the will to probate become necessary.

SECTION 139. IC 33-19-6-10, AS AMENDED BY P.L.213-2001, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) In each action in which a person is found to have:

- (1) committed an offense under IC 9-30-5;
- (2) violated a statute defining an infraction under IC 9-30-5; **or**
- (3) been adjudicated a delinquent for an act that would be an offense under IC 9-30-5, if committed by an adult;

and the person's driving privileges are suspended by the court or the bureau of motor vehicles as a result of the finding, the clerk shall collect an alcohol and drug countermeasures fee of two hundred dollars (\$200).

(b) In each action in which a person is charged with an offense under IC 9-30-5 and, by a plea agreement or agreement of the parties that is approved by the court:

- (1) judgment is entered for an offense under:



- (A) IC 9-21-8-50;
- (B) IC 9-21-8-52;
- (C) IC 7.1-5-1-3; or
- (D) IC 7.1-5-1-6; and

(2) the defendant agrees to pay the alcohol and drug counter measures fee;

the clerk shall collect an alcohol and drug countermeasures fee of two hundred dollars (\$200).

SECTION 140. IC 33-19-7-1, AS AMENDED BY P.L.183-2001, SECTION 13, AND AS AMENDED BY P.L.280-2001, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The clerk of a circuit court shall semiannually distribute to the auditor of state as the state share for deposit in the state general fund seventy percent (70%) of the amount of fees collected under the following:

- (1) IC 33-19-5-1(a) (criminal costs fees).
- (2) IC 33-19-5-2(a) (infraction or ordinance violation costs fees).
- (3) IC 33-19-5-3(a) (juvenile costs fees).
- (4) IC 33-19-5-4(a) (civil costs fees).
- (5) IC 33-19-5-5(a) (small claims costs fees).
- (6) IC 33-19-5-6(a) (probate costs fees).
- (7) IC 33-19-6-16.2 (deferred prosecution fees).

(b) The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the state user fee fund established under IC 33-19-9-2 the following:

- (1) Twenty-five percent (25%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-19-5-1(b)(5).
- (2) Twenty-five percent (25%) of the alcohol and drug countermeasures fees collected under IC 33-19-5-1(b)(6), IC 33-19-5-2(b)(4), and IC 33-19-5-3(b)(5).
- (3) Fifty percent (50%) of the child abuse prevention fees collected under IC 33-19-5-1(b)(7).
- (4) One hundred percent (100%) of the domestic violence prevention and treatment fees collected under IC 33-19-5-1(b)(8).
- (5) One hundred percent (100%) of the highway work zone fees collected under IC 33-19-5-1(b)(9) and IC 33-19-5-2(b)(5).
- (6) One hundred percent (100%) of the safe schools fee collected under IC 33-19-6-16.3.
- (7) One hundred percent (100%) of the automated record keeping fee (IC 33-19-6-19).

(c) The clerk of a circuit court shall monthly distribute to the county

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auditor the following:

- (1) Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-19-5-1(b)(5).
- (2) Seventy-five percent (75%) of the alcohol and drug countermeasures fees collected under IC 33-19-5-1(b)(6), IC 33-19-5-2(b)(4), and IC 33-19-5-3(b)(5).

The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

(d) The clerk of a circuit court shall monthly distribute to the county auditor fifty percent (50%) of the child abuse prevention fees collected under IC 33-19-5-1(b)(8). The county auditor shall deposit fees distributed by a clerk under this subsection into the county child advocacy fund established under IC 12-17-17.

~~(e) The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the judicial salaries fee.~~

~~(f)~~ (e) The clerk of a circuit court shall monthly distribute to the county auditor one hundred percent (100%) of the late payment fees collected under IC 33-19-6-20. The county auditor shall deposit fees distributed by a clerk under this subsection as follows:

- (1) If directed to do so by an ordinance adopted by the county fiscal body, the county auditor shall deposit forty percent (40%) of the fees in the clerk's record perpetuation fund established under IC 33-19-6-1.5 and sixty percent (60%) of the fees in the county general fund.
- (2) If the county fiscal body has not adopted an ordinance under subdivision (1), the county auditor shall deposit all the fees in the county general fund.

~~(g)~~ (f) The clerk of the circuit court shall semiannually distribute to the auditor of state for deposit in the sexual assault victims assistance fund established under IC 16-19-13-6 one hundred percent (100%) of the sexual assault victims assistance fees collected under IC 33-19-6-21.

SECTION 141. IC 33-19-7-4, AS AMENDED BY P.L.183-2001, SECTION 14, AND AS AMENDED BY P.L.280-2001, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The clerk of a city or town court shall semiannually distribute to the auditor of state as the state share for deposit in the state general fund fifty-five percent (55%) of the amount of fees collected under the following:

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- (1) IC 33-19-5-1(a) (criminal costs fees).
- (2) IC 33-19-5-2(a) (infraction or ordinance violation costs fees).
- (3) IC 33-19-5-4(a) (civil costs fees).
- (4) IC 33-19-5-5 (small claims costs fees).
- (5) IC 33-19-6-16.2 (deferred prosecution fees).

(b) Once each month the city or town fiscal officer shall distribute to the county auditor as the county share twenty percent (20%) of the amount of fees collected under the following:

- (1) IC 33-19-5-1(a) (criminal costs fees).
- (2) IC 33-19-5-2(a) (infraction or ordinance violation costs fees).
- (3) IC 33-19-5-4(a) (civil costs fees).
- (4) IC 33-19-5-5 (small claims costs fees).
- (5) IC 33-19-6-16.2 (deferred prosecution fees).

(c) The city or town fiscal officer shall retain twenty-five percent (25%) as the city or town share of the fees collected under the following:

- (1) IC 33-19-5-1(a) (criminal costs fees).
- (2) IC 33-19-5-2(a) (infraction or ordinance violation costs fees).
- (3) IC 33-19-5-4(a) (civil costs fees).
- (4) IC 33-19-5-5 (small claims costs fees).
- (5) IC 33-19-6-16.2 (deferred prosecution fees).

(d) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state user fee fund established under IC 33-19-9 the following:

- (1) Twenty-five percent (25%) of the drug abuse, prosecution, interdiction, and corrections fees collected under IC 33-19-5-1(b)(5).
- (2) Twenty-five percent (25%) of the alcohol and drug countermeasures fees collected under IC 33-19-5-1(b)(6), IC 33-19-5-2(b)(4), and IC 33-19-5-3(b)(5).
- (3) One hundred percent (100%) of the highway work zone fees collected under IC 33-19-5-1(b)(9) and IC 33-19-5-2(b)(5).
- (4) One hundred percent (100%) of the safe schools fee collected under IC 33-19-6-16.3.
- (5) One hundred percent (100%) of the automated record keeping fee (IC 33-19-6-19).

(e) The clerk of a city or town court shall monthly distribute to the county auditor the following:

- (1) Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and corrections fees collected under IC 33-19-5-1(b)(5).
- (2) Seventy-five percent (75%) of the alcohol and drug

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countermeasures fees collected under IC 33-19-5-1(b)(6), IC 33-19-5-2(b)(4), and IC 33-19-5-3(b)(5).

The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

~~(f) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the judicial salaries fee.~~

~~(g)~~ **(f)** The clerk of a city or town court shall distribute monthly to the city or town fiscal officer (as defined in IC 36-1-2-7) one hundred percent (100%) of the late payment fees collected under IC 33-19-6-20. The city or town fiscal officer (as defined in IC 36-1-2-7) shall deposit fees distributed by a clerk under this subsection in the city or town general fund.

SECTION 142. IC 34-6-2-38, AS AMENDED BY P.L.250-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 38. (a) "Employee" and "public employee", for purposes of section 91 of this chapter, IC 34-13-2, IC 34-13-3, IC 34-13-4, and IC 34-30-14, mean a person presently or formerly acting on behalf of a governmental entity, whether temporarily or permanently or with or without compensation, including members of boards, committees, commissions, authorities, and other instrumentalities of governmental entities, volunteer firefighters (as defined in IC 36-8-12-2), and elected public officials.

(b) The term also includes attorneys at law whether employed by the governmental entity as employees or independent contractors and physicians licensed under IC 25-22.5 and optometrists who provide medical or optical care to confined offenders (as defined in IC 11-8-1) within the course of their employment by or contractual relationship with the department of correction. However, the term does not include:

- (1) an independent contractor (other than an attorney at law, a physician, or an optometrist described in this section);
- (2) an agent or employee of an independent contractor;
- (3) a person appointed by the governor to an honorary advisory or honorary military position; or
- (4) a physician licensed under IC 25-22.5 with regard to a claim against the physician for an act or omission occurring or allegedly occurring in the physician's capacity as an employee of a hospital.

(c) A physician licensed under IC 25-22.5 who is an employee of a governmental entity (as defined in IC 34-6-2-49) shall be considered a public employee for purposes of ~~IC 34-13-3-3(21)~~ **IC 34-13-3-3(20)**.

SECTION 143. IC 34-6-2-49, AS AMENDED BY P.L.250-2001,



SECTION 4, AND AS AMENDED BY P.L.280-2001, SECTION 29, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 49. "Governmental entity", for purposes of *section 91 of this chapter*, IC 34-13-2, IC 34-13-3, ~~and~~ IC 34-13-4, *and IC 34-26-2.5*, means the state or a political subdivision of the state.

SECTION 144. IC 34-13-3-3, AS AMENDED BY P.L.250-2001, SECTION 6, AND AS AMENDED BY P.L.280-2001, SECTION 42, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A governmental entity or an employee acting within the scope of the employee's employment is not liable if a loss results from *the following*:

- (1) The natural condition of unimproved property.
- (2) The condition of a reservoir, dam, canal, conduit, drain, or similar structure when used by a person for a purpose that is not foreseeable.
- (3) The temporary condition of a public thoroughfare *or extreme sport area* that results from weather.
- (4) The condition of an unpaved road, trail, or footpath, the purpose of which is to provide access to a recreation or scenic area.
- (5) *The design, construction, control, operation, or normal condition of an extreme sport area, if all entrances to the extreme sport area are marked with:*
 - (A) *a set of rules governing the use of the extreme sport area;*
 - (B) *a warning concerning the hazards and dangers associated with the use of the extreme sport area; and*
 - (C) *a statement that the extreme sport area may be used only by persons operating extreme sport equipment.*

This subdivision shall not be construed to relieve a governmental entity from liability for the continuing duty to maintain extreme sports areas in a reasonably safe condition.

- (6) The initiation of a judicial or an administrative proceeding.
- ~~(6)~~ (7) The performance of a discretionary function; however, the provision of medical or optical care as provided in IC 34-6-2-38 shall be considered as a ministerial act.
- ~~(7)~~ (8) The adoption and enforcement of or failure to adopt or enforce a law (including rules and regulations), unless the act of enforcement constitutes false arrest or false imprisonment.
- ~~(8)~~ (9) An act or omission performed in good faith and without malice under the apparent authority of a statute which is invalid if the employee would not have been liable had the statute been

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~~(9)~~ (10) The act or omission of anyone other than the governmental entity or the governmental entity's employee.

~~(10)~~ (11) The issuance, denial, suspension, or revocation of, or failure or refusal to issue, deny, suspend, or revoke, any permit, license, certificate, approval, order, or similar authorization, where the authority is discretionary under the law.

~~(11)~~ (12) Failure to make an inspection, or making an inadequate or negligent inspection, of any property, other than the property of a governmental entity, to determine whether the property complied with or violates any law or contains a hazard to health or safety.

~~(12)~~ (13) Entry upon any property where the entry is expressly or impliedly authorized by law.

~~(13)~~ (14) Misrepresentation if unintentional.

~~(14)~~ (15) Theft by another person of money in the employee's official custody, unless the loss was sustained because of the employee's own negligent or wrongful act or omission.

~~(15)~~ (16) Injury to the property of a person under the jurisdiction and control of the department of correction if the person has not exhausted the administrative remedies and procedures provided by section 7 of this chapter.

~~(16)~~ (17) Injury to the person or property of a person under supervision of a governmental entity and who is:

(A) on probation; or

(B) assigned to an alcohol and drug services program under IC 12-23, a minimum security release program under IC 11-10-8, or a community corrections program under IC 11-12.

~~(17)~~ (18) Design of a highway (as defined in IC 9-13-2-73) if the claimed loss occurs at least twenty (20) years after the public highway was designed or substantially redesigned; except that this subdivision shall not be construed to relieve a responsible governmental entity from the continuing duty to provide and maintain public highways in a reasonably safe condition.

~~(18)~~ (19) Development, adoption, implementation, operation, maintenance, or use of an enhanced emergency communication system.

~~(19)~~ (20) Injury to a student or a student's property by an employee of a school corporation if the employee is acting reasonably under a discipline policy adopted under IC 20-8.1-5.1-7(b). *or*

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~~(20)~~ (21) An error resulting from or caused by a failure to recognize the year 1999, 2000, or a subsequent year, including an incorrect date or incorrect mechanical or electronic interpretation of a date, that is produced, calculated, or generated by:

- (A) a computer;
- (B) an information system; or
- (C) equipment using microchips;

that is owned or operated by a governmental entity. However, this subdivision does not apply to acts or omissions amounting to gross negligence, willful or wanton misconduct, or intentional misconduct. For purposes of this subdivision, evidence of gross negligence may be established by a party by showing failure of a governmental entity to undertake an effort to review, analyze, remediate, and test its electronic information systems or by showing failure of a governmental entity to abate, upon notice, an electronic information system error that caused damage or loss. However, *this* subdivision ~~(20)~~ expires on June 30, 2003; **or 2003.**

~~(21)~~ (22) *An act or omission performed in good faith under the apparent authority of a court order described in IC 35-46-1-15.1 that is invalid, including an arrest or imprisonment related to the enforcement of the court order, if the governmental entity or employee would not have been liable had the court order been valid.*

SECTION 145. IC 34-30-2-98.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 98.2. IC 25-2.5-3-3 (Concerning a physician licensed under IC 25-22.5 who issues a written letter of referral or written diagnosis of a patient to a licensed acupuncturist.)**

SECTION 146. IC 35-38-2.5-10, AS AMENDED BY P.L.137-2001, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) Each probation department or community corrections ~~department~~ **program** shall establish written criteria and procedures for determining whether an offender or alleged offender that the department **or program** supervises on home detention qualifies as a violent offender.

(b) A probation ~~department~~ or community corrections ~~department~~ **program** shall use the criteria and procedures established under subsection (a) to establish a record keeping system that allows the department **or program** to quickly determine whether an offender or alleged offender who violates the terms of a home detention order is a violent offender.



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(c) A probation department or a community corrections program charged by a court with supervision of offenders and alleged offenders ordered to undergo home detention shall provide all law enforcement agencies (including any contract agencies) having jurisdiction in the place where the probation department or a community corrections program is located with a list of offenders and alleged offenders under home detention supervised by the probation department or the community corrections program. The list must include the following information about each offender and alleged offender:

- (1) The offender's name, any known aliases, and the location of the offender's home detention.
- (2) The crime for which the offender was convicted.
- (3) The date the offender's home detention expires.
- (4) The name, address, and telephone number of the offender's supervising probation or community corrections program officer for home detention.
- (5) An indication of whether the offender or alleged offender is a violent offender.

(d) Except as provided under section 6(1) of this chapter, a probation department or community corrections program charged by a court with supervision of offenders and alleged offenders ordered to undergo home detention shall, at the beginning of a period of home detention, set the monitoring device and surveillance equipment to minimize the possibility that the offender or alleged offender can enter another residence or structure without a violation.

SECTION 147. IC 35-38-7-3, AS ADDED BY P.L.49-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "offense" means ~~to~~ a felony to which a petition under this chapter relates.

SECTION 148. IC 35-41-1-17, AS AMENDED BY P.L.106-2001, SECTION 1, AND AS AMENDED BY P.L.204-2001, SECTION 64, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) "Law enforcement officer" means:

- (1) a police officer, sheriff, constable, marshal, or prosecuting attorney;
- (2) a deputy of any of those persons;
- (3) an investigator for a prosecuting attorney;
- (4) a conservation officer; or
- (5) an enforcement officer of the ~~alcoholic beverage~~ alcohol and tobacco commission.

(b) "Federal enforcement officer" means any of the following:

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- (1) A Federal Bureau of Investigation special agent.
- (2) A United States Marshals Service marshal or deputy.
- (3) A United States Secret Service special agent.
- (4) A United States Fish and Wildlife Service special agent.
- (5) A United States Drug Enforcement Agency agent.
- (6) A Bureau of Alcohol, Tobacco, and Firearms agent.
- (7) A United States Forest Service law enforcement officer.
- (8) A United States Department of Defense police officer or criminal investigator.
- (9) A United States Customs Service agent.
- (10) A United States Postal Service investigator.
- (11) A National Park Service law enforcement commissioned ranger.
- (12) *United States Department of Agriculture, Office of Inspector General special agent.*
- ~~(12)~~ (13) *A United States Immigration and Naturalization Service special agent.*
- ~~(13)~~ (14) *An individual who is:*
 - (A) *an employee of a federal agency; and*
 - (B) *authorized to make arrests and carry a firearm in the performance of the individual's official duties.*

SECTION 149. IC 35-41-4-2, AS AMENDED BY P.L.48-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as otherwise provided in this section, a prosecution for an offense is barred unless it is commenced:

- (1) within five (5) years after the commission of a Class B, Class C, or Class D felony; or
- (2) within two (2) years after the commission of a misdemeanor.
- (b) A prosecution for a Class B or Class C felony that would otherwise be barred under this section may be commenced within one (1) year after the earlier of the date on which the state:
 - (1) first discovers the identity of the offender with DNA (deoxyribonucleic acid) evidence; or
 - (2) could have discovered the ~~identity~~ **identity** of the offender with DNA (deoxyribonucleic acid) evidence by the exercise of due diligence.

However, for a Class B or Class C felony in which the state first discovered the identity of an offender with DNA (deoxyribonucleic acid) evidence after the time otherwise allowed for prosecution and before July 1, 2001, the one (1) year period provided in this subsection is extended to July 1, 2002.

- (c) A prosecution for a Class A felony may be commenced at any



time.

(d) A prosecution for murder may be commenced:

- (1) at any time; and
- (2) regardless of the amount of time that passes between:
 - (A) the date a person allegedly commits the elements of murder; and
 - (B) the date the alleged victim of the murder dies.

(e) A prosecution for the following offenses is barred unless commenced before the date that the alleged victim of the offense reaches thirty-one (31) years of age:

- (1) IC 35-42-4-3(a) (Child molesting).
- (2) IC 35-42-4-5 (Vicarious sexual gratification).
- (3) IC 35-42-4-6 (Child solicitation).
- (4) IC 35-42-4-7 (Child seduction).
- (5) IC 35-46-1-3 (Incest).

(f) Notwithstanding subsection (e)(1), a prosecution for child molesting under IC 35-42-4-3(c) or IC 35-42-4-3(d) where a person who is at least sixteen (16) years of age allegedly commits the offense against a child who is not more than two (2) years younger than the older person, is barred unless commenced within five (5) years after the commission of the offense.

(g) A prosecution for forgery of an instrument for payment of money, or for the uttering of a forged instrument, under IC 35-43-5-2, is barred unless it is commenced within five (5) years after the maturity of the instrument.

(h) If a complaint, indictment, or information is dismissed because of an error, defect, insufficiency, or irregularity, a new prosecution may be commenced within ninety (90) days after the dismissal even if the period of limitation has expired at the time of dismissal, or will expire within ninety (90) days after the dismissal.

(i) The period within which a prosecution must be commenced does not include any period in which:

- (1) the accused person is not usually and publicly resident in Indiana or so conceals himself that process cannot be served on him;
- (2) the accused person conceals evidence of the offense, and evidence sufficient to charge him with that offense is unknown to the prosecuting authority and could not have been discovered by that authority by exercise of due diligence; or
- (3) the accused person is a person elected or appointed to office under statute or constitution, if the offense charged is theft or conversion of public funds or bribery while in public office.

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(j) For purposes of tolling the period of limitation only, a prosecution is considered commenced on the earliest of these dates:

- (1) The date of filing of an indictment, information, or complaint before a court having jurisdiction.
- (2) The date of issuance of a valid arrest warrant.
- (3) The date of arrest of the accused person by a law enforcement officer without a warrant, if the officer has authority to make the arrest.

(k) A prosecution is considered timely commenced for any offense to which the defendant enters a plea of guilty, notwithstanding that the period of limitation has expired.

SECTION 150. IC 35-46-1-15.1, AS AMENDED BY P.L.1-2001, SECTION 42, AND AS AMENDED BY P.L.280-2001, SECTION 53, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15.1. (a) A person who knowingly or intentionally violates:

- (1) a protective order issued under:
 - (A) IC 34-26-2-12(1)(A) (or IC 34-4-5.1-5(a)(1)(A) before its repeal);
 - (B) IC 34-26-2-12(1)(B) (or IC 34-4-5.1-5(a)(1)(B) before its repeal); or
 - (C) IC 34-26-2-12(1)(C) (or IC 34-4-5.1-5(a)(1)(C) before its repeal);

that orders the respondent to refrain from abusing, harassing, or disturbing the peace of the petitioner;

- (2) an emergency protective order issued under IC 34-26-2-6(1), IC 34-26-2-6(2), IC 34-26-2-6(3), (or IC 34-4-5.1-2.3(a)(1)(A), IC 34-4-5.1-2.3(a)(1)(B), or IC 34-4-5.1-2.3(a)(1)(C) before their repeal) that orders the respondent to refrain from abusing, harassing, or disturbing the peace of the petitioner;

- (3) a temporary restraining order issued under IC 31-15-4-3(2) or IC 31-15-4-3(3) (or IC 31-1-11.5-7(b)(2), IC 31-1-11.5-7(b)(3), ~~IC 31-16-4-2(a)(2)~~, IC 31-16-4-2(a)(2), or ~~IC 31-16-4-2(a)(3)~~ IC 31-16-4-2(a)(3) before their repeal) that orders the respondent to refrain from abusing, harassing, or disturbing the peace of the petitioner;

- (4) an order in a dispositional decree issued under IC 31-34-20-1, IC 31-37-19-1, or IC 31-37-19-5 (or IC 31-6-4-15.4 or IC 31-6-4-15.9 before their repeal) or an order issued under IC 31-32-13 (or IC 31-6-7-14 before its repeal) that orders the person to refrain from direct or indirect contact with a child in need of services or a delinquent child;

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(5) an order issued as a condition of pretrial release, including release on bail or personal recognizance, or pretrial diversion that orders the person to refrain from any direct or indirect contact with another person;

(6) an order issued as a condition of probation that orders the person to refrain from any direct or indirect contact with another person;

(7) a protective order issued under IC 31-15-5 (or IC 31-16-5 or IC 31-1-11.5-8.2 before their repeal) that orders the respondent to refrain from abusing, harassing, or disturbing the peace of the petitioner;

(8) a protective order issued under IC 31-14-16 in a paternity action;

(9) a protective order issued under IC 31-34-17 in a child in need of services proceeding or under IC 31-37-16 in a juvenile delinquency proceeding that orders the respondent to refrain from having direct or indirect contact with a child; ~~or~~

(10) an order issued in ~~a~~ another state ~~other than Indiana~~ that is substantially similar to an order described in subdivisions (1) through (9); *or*

(11) an order that is substantially similar to an order described in subdivisions (1) through (9) and is issued by an Indian:

(A) tribe;

(B) band;

(C) pueblo;

(D) nation; or

(E) organized group or community, including an Alaska Native village or regional or village corporation as defined in or established under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.);

that is recognized as eligible for the special programs and services provided by the United States to Indians because of their special status as Indians;

commits invasion of privacy, a Class B misdemeanor. However, the offense is a Class A misdemeanor if the person has a prior unrelated conviction for an offense under this section.

(b) In addition to any other penalty imposed for conviction of a Class A misdemeanor under this section, if the violation of the protective order results in bodily injury to the petitioner, the court shall order the defendant to be imprisoned for five (5) days. A five (5) day sentence under this subsection may not be suspended. The court may require the defendant to serve the five (5) day term of imprisonment in

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an appropriate facility at whatever time or intervals, consecutive or intermittent, the court determines to be appropriate. However:

- (1) at least forty-eight (48) hours of the sentence must be served consecutively; and
- (2) the entire five (5) day sentence must be served within six (6) months after the date of sentencing.

(c) Notwithstanding IC 35-50-6, a person does not earn credit time while serving a five (5) day sentence under subsection (b).

SECTION 151. IC 35-50-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Before a person who has been convicted of an offense and committed to the department of correction is assigned to a department of correction program or facility under IC 11-10-1, the sentencing court may recommend that the department of correction place the person in a secure private facility (as defined in ~~IC 31-9-2-116~~ IC 31-9-2-115) if:

- (1) the person was less than sixteen (16) years of age on the date of sentencing; and
- (2) the court determines that the person would benefit from the treatment offered by the facility.

(b) A secure private facility may terminate a placement and request the department of correction to reassign a convicted person to another department of correction facility or program.

(c) When a convicted person becomes twenty-one (21) years of age or if a secure private facility terminates a placement under subsection (b) a convicted person shall:

- (1) be assigned to a department of correction facility or program under IC 11-10-1-3(b); and
- (2) serve the remainder of the sentence in the department of correction facility or program.

(d) A person who is placed in a secure private facility under this section:

- (1) is entitled to earn credit time under IC 35-50-6; and
- (2) may be deprived of earned credit time as provided under rules adopted by the department of correction under IC 4-22-2.

SECTION 152. IC 35-50-3-1, AS AMENDED BY P.L.90-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The court may suspend any part of a sentence for a misdemeanor.

(b) Except as provided in subsection (c), whenever the court suspends in whole or in part a sentence for a Class A, Class B, or Class C misdemeanor, it may place the person on probation under IC 35-38-2 for a fixed period of not more than one (1) year, notwithstanding the

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maximum term of imprisonment for the misdemeanor set forth in sections 2 through 4 of this chapter. However, the combined term of imprisonment and probation for a misdemeanor may not exceed one (1) year.

(c) Whenever the court suspends a sentence for a misdemeanor, if the court finds that the use or abuse of alcohol, drugs, or harmful substances is a contributing factor or a material element of the offense, the court may place the person on probation under IC 35-38-2 for a fixed period of not more than two (2) years. However, a court may not place a person on probation for a period of more than twelve (12) months in the absence of a report that substantiates the need for a period of probation that is longer ~~that~~ **than** twelve (12) months for the purpose of completing a course of substance abuse treatment. A probation user's fee that exceeds fifty percent (50%) of the maximum probation user's fee allowed under IC 35-38-2-1 may not be required beyond the first twelve (12) months of probation.

SECTION 153. IC 36-1-8-10, AS AMENDED BY P.L.167-2001, SECTION 10, AND AS AMENDED BY P.L.199-2001, SECTION 28, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) As used in this section, "board" means an administration, *an* agency, *an* authority, *a* board, *a* bureau, *a* commission, *a* committee, *a* council, *a* department, *a* division, *an* institution, *an* office, *a* service, or ~~other~~ *another* similarly designated body of a political subdivision.

(b) Whenever a law or political subdivision's resolution requires that an appointment to a board be conditioned upon the political affiliation of the appointee, or that the membership of a board not exceed a stated number of members from the same political party, at the time of an appointment, either of the following must apply to the appointee:

(1) The most recent primary election in which the appointee voted was a primary election held by the party with which the appointee claims affiliation. ~~or~~

(2) The appointee is certified as a member of that party by the party's county chairman for the county in which the appointee resides.

(c) Notwithstanding any other law, if the term of an appointed member of a board expires and the appointing authority does not make an appointment to fill the vacancy, the member may continue to serve on the board for only sixty (60) days after the expiration date of the member's term.

SECTION 154. IC 36-1-12-4.7, AS AMENDED BY P.L.22-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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UPON PASSAGE]: Sec. 4.7. (a) This section applies whenever a public work project is estimated to cost:

(1) at least twenty-five thousand dollars (\$25,000) and less than seventy-five thousand dollars (\$75,000) in:

(A) a consolidated city or second class city;

(B) a county containing a consolidated city or second class city; **or**

(C) a regional water or sewage district established under IC 13-26; or

(2) at least twenty-five thousand dollars (\$25,000) and less than fifty thousand dollars (\$50,000) in:

(A) a third class city or town with a population of more than five thousand (5,000); or

(B) a county containing a third class city or town with a population of more than five thousand (5,000).

(b) The board must proceed under the following provisions:

(1) The board shall invite quotes from at least three (3) persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The notice must be mailed not less than seven (7) days before the time fixed for receiving quotes.

(2) The board may not require a person to submit a quote before the meeting at which quotes are to be received. The meeting for receiving quotes must be open to the public. All quotes received shall be opened publicly and read aloud at the time and place designated and not before.

(3) The board shall award the contract for the public work to the lowest responsible and responsive quoter.

(4) The board may reject all quotes submitted.

SECTION 155. IC 36-2-6-22, AS ADDED BY P.L.185-2001, SECTION 5, AND AS ADDED BY P.L.291-2001, SECTION 196, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

(1) Assessed value.

(2) Exemption.

(3) Owner.

(4) Person.

(5) Property taxation.

(6) Real property.

(7) Township assessor.

(b) As used in this section, "PILOTS" means payments in lieu of

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taxes.

(c) As used in this section, "property owner" means the owner of real property described in IC 6-1.1-10-16.7 that is not located in a county *containing a consolidated city. having a population of more than thirty-eight thousand five hundred (38,500) but less than thirty-nine thousand (39,000).*

(d) Subject to the approval of a property owner, the fiscal body of a county may adopt an ordinance to require the property owner to pay PILOTS at times set forth in the ordinance with respect to real property that is subject to an exemption under IC 6-1.1-10-16.7. The ordinance remains in full force and effect until repealed or modified by the legislative body, subject to the approval of the property owner.

(e) The PILOTS must be calculated so that the PILOTS are in an amount equal to the amount of property taxes that would have been levied upon the real property described in subsection (d) if the property were not subject to an exemption from property taxation.

(f) PILOTS shall be imposed in the same manner as property taxes and shall be based on the assessed value of the real property described in subsection (d). The township assessors shall assess the real property described in subsection (d) as though the property were not subject to an exemption.

(g) PILOTS collected under this section shall be distributed in the same manner as if they were property taxes being distributed to taxing units in the county.

(h) PILOTS shall be due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS shall be treated in the same manner as taxes for purposes of all procedural and substantive provisions of law.

SECTION 156. IC 36-2-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. **Except for sections 15.3 and 16.3 of this chapter**, this chapter applies to all counties.

SECTION 157. IC 36-4-3-15, AS AMENDED BY P.L.224-2001, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) The court's judgment under section 12 or 15.5 of this chapter must specify the annexation ordinance on which the remonstrance is based. The clerk of the court shall deliver a certified copy of the judgment to the clerk of the municipality. The clerk of the municipality shall:

- (1) record the judgment in the clerk's ordinance record; and
- (2) make a cross-reference to the record of the judgment on the margin of the record of the annexation ordinance.



(b) If a judgment under section 12 or 15.5 of this chapter is adverse to annexation, the municipality may not make further attempts to annex the territory or any part of the territory during the four (4) years after the later of:

- (1) the judgment of the circuit or superior court; or
 - (2) the date of the final disposition of all appeals to a higher court;
- unless the annexation is petitioned for under section 5 or 5.1 of this chapter.

(c) This subsection applies if a municipality repeals the annexation ordinance:

- (1) less than sixty-one (61) days after the publication of the ordinance under section 7(a) of this chapter; and
- (2) before the hearing commences on the remonstrance under section ~~12(c)~~ **11(c)** of this chapter.

A municipality may not make further attempts to annex the territory or any part of the territory during the twelve (12) months after the date the municipality repeals the annexation ordinance. This subsection does not prohibit an annexation of the territory or part of the territory that is petitioned for under section 5 or 5.1 of this chapter.

(d) This subsection applies if a municipality repeals the annexation ordinance:

- (1) at least sixty-one (61) days but not more than one hundred twenty (120) days after the publication of the ordinance under section 7(a) of this chapter; and
- (2) before the hearing commences on the remonstrance under section ~~12(c)~~ **11(c)** of this chapter.

A municipality may not make further attempts to annex the territory or any part of the territory during the twenty-four (24) months after the date the municipality repeals the annexation ordinance. This subsection does not prohibit an annexation of the territory or part of the territory that is petitioned for under section 5 or 5.1 of this chapter.

(e) This subsection applies if a municipality repeals the annexation ordinance:

- (1) either:
 - (A) at least one hundred twenty-one (121) days after publication of the ordinance under section 7(a) of this chapter but before the hearing commences on the remonstrance under section ~~12(c)~~ **11(c)** of this chapter; or
 - (B) after the hearing commences on the remonstrance as set forth in section ~~12(c)~~ **11(c)** of this chapter; and
- (2) before the date of the judgment of the circuit or superior court as set forth in subsection (b).

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A municipality may not make further attempts to annex the territory or any part of the territory during the forty-two (42) months after the date the municipality repeals the annexation ordinance. This subsection does not prohibit an annexation of the territory or part of the territory that is petitioned for under section 5 or 5.1 of this chapter.

(f) If a judgment under section 12 or 15.5 of this chapter orders the annexation to take place, the annexation is effective when the clerk of the municipality complies with the filing requirement of section 22(a) of this chapter.

SECTION 158. IC 36-4-3-19, AS AMENDED BY P.L.212-2001, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) If disannexation is ordered under this chapter by the works board of a municipality and no appeal is taken, the clerk of the municipality shall, without compensation and not later than ten (10) days after the order is made, make and certify a complete transcript of the disannexation proceedings to the auditor of each county in which the disannexed lots or lands lie and to the office of the secretary of state. The county auditor shall list those lots or lands appropriately for taxation. The proceedings of the works board shall not be certified to the county auditor or to the office of the secretary of state if an appeal to the circuit court has been taken.

(b) In all proceedings begun in or appealed to the circuit court, if vacation or disannexation is ordered, the clerk of the court shall immediately after the judgment of the court, or after a decision on appeal to the supreme court or court of appeals if the judgment on appeal is not reversed, certify the judgment of the circuit court, as affirmed or modified, to each of the following:

- (1) The auditor of each county in which the lands or lots affected lie, on receipt of one dollar (\$1) for the making and certifying of the transcript from the petitioners for the disannexation.
- (2) The office of the secretary of state.
- (3) The circuit court clerk of each county in which the lands or lots affected are located.
- (4) The county election board of each county in which the lands or lots affected are located.
- (5) If a board of registration exists, the board of each county in which the lands or lots affected are located.
- (6) The office of census data established by ~~IC 2-5-1.1-12.~~
IC 2-5-1.1-12.2.

(c) The county auditor shall forward a list of lots or lands disannexed under this section to the following:

- (1) The county highway department of each county in which the

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lands or lots affected are located.

(2) The county surveyor of each county in which the lands or lots affected are located.

(3) Each plan commission, if any, that lost or gained jurisdiction over the disannexed territory.

(4) The township trustee of each township that lost or gained jurisdiction over the disannexed territory.

(5) The sheriff of each county in which the lands or lots affected are located.

(6) The office of the secretary of state.

(7) The office of census data established by ~~IC 2-5-1.1-12.~~
IC 2-5-1.1-12.2.

The county auditor may require the clerk of the municipality to furnish an adequate number of copies of the list of disannexed lots or lands or may charge the clerk a fee for photoreproduction of the list.

(d) A disannexation described by this section takes effect upon the clerk of the municipality filing the order with:

(1) the county auditor of each county in which the annexed territory is located; and

(2) the circuit court clerk, or if a board of registration exists, the board of each county in which the annexed territory is located.

(e) The clerk of the municipality shall notify the office of the secretary of state and the office of census data established by ~~IC 2-5-1.1-12~~ **IC 2-5-1.1-12.2** of the date a disannexation is effective under this chapter.

(f) A disannexation order under this chapter may not take effect during the year preceding a year in which a federal decennial census is conducted. A disannexation order that would otherwise take effect during the year preceding a year in which a federal decennial census is conducted takes effect January 2 of the year in which a federal decennial census is conducted.

SECTION 159. IC 36-4-3-22, AS AMENDED BY P.L.212-2001, SECTION 34, AND AS AMENDED BY P.L.276-2001, SECTION 9, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) The clerk of the municipality shall do the following:

(1) File each annexation ordinance against which a remonstrance or an appeal has not been filed during the period permitted under this chapter or the certified copy of a judgment ordering an annexation to take place with *each of the following*:

(A) The county auditor of each county in which the annexed territory is located.



(B) The circuit court clerk of each county in which the annexed territory is located.

(C) If a board of registration exists, the registration board of each county in which the annexed territory is located. ~~and~~

(D) The office of the secretary of state.

~~(E) The office of census data established by IC 2-5-1.1-12.~~

IC 2-5-1.1-12.2.

(2) Record each annexation ordinance adopted under this chapter in the office of the county recorder of each county in which the annexed territory is located.

(b) The copy must be filed and recorded no later than ninety (90) days after:

(1) the expiration of the period permitted for a remonstrance or appeal; or

(2) the delivery of a certified order under section 15 of this chapter.

(c) Failure to record the annexation ordinance as provided in subsection (a)(2) does not invalidate the ordinance.

(d) The county auditor shall forward a copy of any annexation ordinance filed under this section to the following:

(1) The county highway department of each county in which the lots or lands affected are located.

(2) The county surveyor of each county in which the lots or lands affected are located.

(3) Each plan commission, if any, that lost or gained jurisdiction over the annexed territory.

(4) The sheriff of each county in which the lots or lands affected are located.

(5) The township trustee of each township that lost or gained jurisdiction over the annexed territory.

(6) The office of the secretary of state.

~~(7) The office of census data established by IC 2-5-1.1-12.~~

IC 2-5-1.1-12.2.

(e) The county auditor may require the clerk of the municipality to furnish an adequate number of copies of the annexation ordinance or may charge the clerk a fee for photoreproduction of the ordinance. The county auditor shall notify the office of the secretary of state ~~and the office of census data established by IC 2-5-1.1-12~~ **IC 2-5-1.1-12.2** of the date that the annexation ordinance is effective under this chapter.

(f) The county auditor ~~or county surveyor~~ shall, upon determining that an annexation ordinance has become effective under this chapter, indicate the annexation upon the property taxation records maintained

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in the office of the auditor *or the office of the county surveyor*.

SECTION 160. IC 36-7-13.5-11, AS ADDED BY P.L.31-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. ~~(a)~~ The commission shall:

- (1) identify qualifying properties;
- (2) prepare a comprehensive master plan for development and redevelopment within the corridor that:
 - (A) plans for remediation of environmental contamination;
 - (B) accounts for economic development and transportation issues relating to environmental contamination; and
 - (C) establishes priorities for development or redevelopment of qualifying properties;
- (3) establish guidelines for the evaluation of applications for grants from the fund;
- (4) after reviewing a report from the department of environmental management under section 22 of this chapter, refer to the executive committee applications for grants from the fund under section 21 of this chapter that the commission recommends for approval;
- (5) prepare and provide information to political subdivisions on the availability of financial assistance from the fund;
- (6) coordinate the implementation of the comprehensive master plan;
- (7) monitor the progress of implementation of the comprehensive master plan; ~~and~~
- (8) report at least annually to the governor, the lieutenant governor, the legislative council and all political subdivisions that have territory within the corridor on:
 - (A) the activities of the commission; and
 - (B) the progress of implementation of the comprehensive master plan; ~~and~~
- (9) employ an executive director and other individuals that are necessary to carry out the commission's duties.

SECTION 161. IC 36-7-26-24, AS AMENDED BY P.L.185-2001, SECTION 9, AND AS AMENDED BY P.L.291-2001, SECTION 203, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 24. (a) The commission may issue bonds, payable in whole or in part, from money distributed from the fund to the commission, to finance a local public improvement under IC 36-7-14-25.1 or may make lease rental payments for a local public improvement under IC 36-7-14-25.2 and IC 36-7-14-25.3. The term of any bonds issued under this section may not exceed twenty (20)



years, nor may the term of any lease agreement entered into under this section exceed twenty (20) years. The commission shall transmit to the board a transcript of the proceedings with respect to the issuance of the bonds or the execution and delivery of a lease agreement as contemplated by this section. The transcript must include a debt service or lease rental schedule setting forth all payments required in connection with the bonds or the lease rentals.

(b) On January 15 of each year, the commission shall remit to the treasurer of state the money disbursed from the fund that is credited to the net increment account that exceeds the amount needed to pay debt service or lease rentals and to establish and maintain a debt service reserve under this chapter in the prior year and before May 31 of that year. Amounts remitted under this subsection shall be deposited by the auditor of state as other gross retail and use taxes are deposited.

(c) The commission in a city described in section 1(2) of this chapter may *only* distribute money from the fund *only* for road, interchange, and right-of-way improvements and for real property acquisition costs in furtherance of the road, interchange, and right-of-way improvements.

(d) The commission in a city described in section 1(3) of this chapter may distribute money from the fund only for the following purposes:

(1) For road, interchange, and right-of-way improvements and for real property acquisition costs in furtherance of the road, interchange, and right-of-way improvements.

(2) For the demolition of commercial property and any related expenses incurred before or after the demolition of the commercial property.

(e) The commission in a city described in section 1(4) of this chapter may distribute money from the fund only for the following purposes:

(1) For:

(A) the acquisition, demolition, and renovation of property; and

(B) site preparation and financing;

related to the development of housing in the district.

(2) For physical improvements or alterations of property that enhance the commercial viability of the district.

SECTION 162. IC 36-9-31-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26. (a) The executive of a unit that provides solid waste collection or disposal services under this chapter shall by March 1 of each year calculate both

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the full and per capita cost to the unit for solid waste collection and disposal during the preceding year.

(b) The calculations that this section requires must include the following as the principal components of the cost of solid waste collection and disposal:

(1) The rate charged by the service provider, broken down into the following:

- (A) Collection costs.
- (B) Disposal costs.
- (C) Recycling costs.
- (D) Other costs.

(2) Direct or indirect costs incurred by the service provider but not included in the charge to the user.

(c) ~~The Indiana institute on recycling shall determine a methodology for Units to~~ **shall follow the methodology determined by the Indiana institute on recycling** in making the calculations that this section requires.

(d) The unit shall publish the results of the calculations and each principal component of the calculations in the manner provided for publication of notice in IC 5-3-1. ~~and file an exact copy of the published information with the Indiana institute on recycling (IC 13-20-18).~~

(e) This section expires June 30, 2002.

SECTION 163. [EFFECTIVE JULY 1, 2001 (RETROACTIVE)] (a) Not later than September 1, 2001, the office of Medicaid policy and planning shall develop a plan for the contracting of a pharmaceutical benefit management (PBM) program for the Medicaid prescription drug program and report to the budget committee.

(b) The PBM program described in subsection (a) must include the following:

- (1) Efficient processing of Medicaid pharmaceutical claims.**
- (2) Real time eligibility verification.**
- (3) Point of service pharmacy drug utilization review consisting of:**
 - (A) drug to drug interactions;**
 - (B) drug to disease interactions;**
 - (C) drug refill notifications; and**
 - (D) other prescription drug compliance measures.**
- (4) Patient interventions focused on clinically appropriate prescribing and medication use.**
- (5) Identification of fraudulent claims at the pharmacy and**



patient level.

(6) Prescriber education focused on drug utilization in accordance with IC 12-15-35.

(c) The PBM program shall, to the greatest extent possible:

(1) capture data in National Council on Pharmacy Data Processing (NCPDP) format; and

(2) make claims available to the office and the drug utilization review board established by IC 12-15-35-19 for further analysis.

(d) Not later than February 1, 2002, the office shall contract with an independent contractor who shall analyze and report on the cost savings and any increased expenses resulting from the PBM program. The contractor shall provide the report required under this subsection to the budget committee and the select joint commission on Medicaid oversight:

(1) not later than June 1, 2002, for the period of September 1, 2001, through April 30, 2002; and

(2) not later than February 1, 2003, for the period of May 1, 2002, through December 31, 2003.

(e) The report required under subsection (d) must also include recommendations on:

(1) improvements in the delivery of PBM services; and

(2) increased cost efficiencies for the state Medicaid prescription drug program.

(f) This SECTION replaces IC 12-15-31-5, as added by P.L.291-2001, SECTION 6 (effective July 1, 2001), which is repealed by this act because IC 12-15-31 was repealed by P.L.291-2001, SECTION 211 (effective upon passage). The duties imposed by this SECTION are a continuation of the duties that were initially imposed by IC 12-15-31-5, as added by P.L.291-2001.

(g) This SECTION expires September 1, 2002.

SECTION 164. P.L.38-2001, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 4. (a) The definitions set forth in IC 5-10.3-11 apply throughout this SECTION.

(b) Notwithstanding the amendments made to IC 5-10.3-11-4 by this act, in calendar year 2001, the state board shall make distributions from the pension relief fund to eligible units of local government both under IC 5-10.3-11-4, as in effect before amendment by this act, and under IC 5-10.3-11-4, as in effect after amendment by this act. However, the distributions to be made under IC 5-10.3-11-4, as in effect after amendment by this act, shall be made in one (1) installment before

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December 1, 2001. To the extent that a distribution under this SECTION is paid in November 2001 or in 2002, that distribution must be placed in the unit's account established by IC 5-10.3-11-6, as added by this act. Distributions made to an eligible unit and paid to the unit's account established by IC 5-10.3-11-6, as added by this act, under this SECTION:

(1) shall be treated as additional revenue for the purpose of fixing the eligible unit's budget for the calendar year during which an amount is paid to the eligible unit from its account under IC 5-10.3-11-6, as added by this act; and

(2) may not be used as a reason to reduce the eligible unit's maximum or actual property tax levy under IC 6-1.1-18.5.

(c) IC 5-10.3-11-4, as amended by this act, applies beginning with distributions that are determined and made in 2001. To comply with this subsection, the eligible unit must comply with all of the following:

(1) If the eligible unit used county adjusted gross income tax ~~of or~~ county option income tax revenues in 1998 for total pension payments, the eligible unit must expend at least the same amount of county adjusted gross income tax ~~of or~~ county option income tax **revenues** in each year after 2000 and before 2008 for total pension payments.

(2) If the eligible unit used ad ~~valorem~~ **valorem** property tax revenues in 1998 for total pension payments, the eligible unit must expend at least the same amount of ad ~~valorem~~ **valorem** property tax revenues in each year after 2000 and before 2008 for total pension payments.

(3) If the eligible unit used any other revenue in 1998 for total pension payments, the eligible unit must expend at least the same amount of other revenue in each year after 2000 and before 2008 for total pension payments.

If in any year the sum of the total local revenue that an eligible unit must expend under this subsection for total pension payments plus the total state distribution for which the eligible unit is eligible under ~~section~~ **sections** 4, 4.5, and 4.7 of this chapter exceed the eligible unit's total pension payment obligation, the state board shall reduce the distribution under section 4.7 of this chapter in the amount of the excess.

SECTION 165. P.L.100-2001, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 28. (a) This SECTION applies to a school city subject to IC 20-3.1-15-1, as amended by this act.

(b) In negotiations under IC 20-7.5 for the first negotiated

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agreement after July 1, 2001, the following shall be included as items according to IC 20-7.5-1-4:

- (1) Grievance procedure.
- (2) Teacher evaluation.
- (3) Reduction in force.
- (c) This SECTION expires:
 - (1) upon the ratification of the agreement described in subsection ~~(a)~~ (b); or
 - (2) July 1, 2005;

whichever is the earliest to occur.

SECTION 166. P.L.198-2001, SECTION 112, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 112. The following, each as amended by this act, apply to property taxes due and payable after December 31, 2002:

IC 6-1.1-3-7
 IC 6-1.1-3-7.5
 IC 6-1.1-4-12.6
 IC 6-1-1-8-30
 IC 6-1.1-8-31
 IC 6-1.1-8-32
 IC 6-1.1-10-16
 IC 6-1.1-11-3
 IC 6-1.1-11-3.5
~~IC 6-1.1-11-8.5~~
 IC 6-1.1-12-28.5
 IC 6-1.1-12-35
 IC 6-1.1-12-40
 IC 6-1.1-12.1-5.5
 IC 6-1.1-15-10
 IC 6-1.1-15-12
 IC 6-1.1-20.8-2
 IC 6-1.1-20.8-3
 IC 6-1.1-37-7
 IC 6-1.1-40-11.

SECTION 167. P.L.230-2001, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 4. (a) Notwithstanding IC 27-8-5.8 and IC 27-13-9-5, both as added by this act:

- (1) an insurer or a health maintenance organization; **and**
- (2) ~~its~~ **the** agents, contractors, or administrators, including pharmacy benefits managers, **of an insurer or a health maintenance organization;**

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~~is~~ **are** not required to issue prescription drug information cards or other technology that ~~meet~~ **meets** the requirements established under IC 27-8-5.8 and IC 27-13-9-5, both as added by this act, for a contract issued or renewed before July 1, 2002.

(b) This SECTION expires July 1, 2002.

SECTION 168. P.L.234-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 5. (a) Notwithstanding IC 20-10.1-25.3-11, ~~and IC 20-10.1-25.3-12,~~ **both** as amended by this act, if the technology plan of the Indiana School for the Deaf or the Indiana School for the Blind, or both, is approved by the department of education under IC 20-10.1-25.3, as amended by this act, and the department has determined that the respective school qualifies for a technology plan grant, the respective school or schools shall be included in the next group of school corporations to which the department distributes technology plan grants.

(b) This SECTION expires July 1, 2005.

SECTION 169. THE FOLLOWING ARE REPEALED [EFFECTIVE MAY 2, 2001 (RETROACTIVE)]: IC 20-5.5-3-3 AND IC 20-5.5-3-3, BOTH AS ADDED BY P.L.100-2001.

SECTION 170. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2001 (RETROACTIVE)]: IC 2-5-1.1-12 AS ADDED BY P.L.179-2001, SECTION 1; IC 2-5-1.1-12 AS ADDED BY P.L.212-2001, SECTION 7; IC 12-15-31-5.

SECTION 171. THE FOLLOWING IS REPEALED [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: IC 6-1.1-12.1-5.7 AS ADDED BY P.L.198-2001, SECTION 40.

SECTION 172. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 5-10.2-2-15; IC 5-13-9.1; IC 6-1.1-24-5.2; IC 6-1.1-24-5.6; IC 6-1.1-24-6.6; IC 6-1.1-25-4.2; IC 6-1.1-25-9.5; IC 6-6-5.5-12; IC 12-15-11.5-4; IC 12-15-11.5-5; IC 13-20-18; IC 13-23-15; IC 21-3-1.6-3.3; IC 21-3-1.6-3.4; IC 21-3-1.8; IC 21-3-1.9; IC 21-3-10.

SECTION 173. **An emergency is declared for this act.**

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President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Approved: _____

Governor of the State of Indiana

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